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Daily Report

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Daily Report

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Further on Postponement of Presidential Summit

Salvadoran Minister Cited

PA0901213389 San Salvador Radio Cadena YSKL
in Spanish 1730 GMT 9 Jan 89

["Excerpts" of news conference with Salvadoran Foreign Affairs Minister Ricardo Acevedo Peralta and unidentified reporters on 9 January; place not given—recorded]

[Excerpt] [Passage omitted] [Acevedo] Regarding the presidential summit, it will occur. (?I have been in contact) with my Central American colleagues and what is left now is to set the exact date.

El Salvador and Honduras have problems because we have to be at The Hague, and in Europe in general, for consultations about the countersuit [against Nicaragua] during early February. Therefore, for El Salvador or Honduras it would have to be before the filing of the countersuit or after the filing of the countersuit. What I mean to say is that it would have to be held between (?1-3) February or before February. These are the only dates that are acceptable at this time.

Tomorrow, Tuesday, we will hold the technical meeting to arrange for the foreign ministers' meeting that will precede the summit; the tentative date for the foreign ministers' meeting is 17-18 January. These are the tentative dates we have for the meeting of foreign ministers following the technical meeting that will be held tomorrow. We do not yet know at what level the technical meeting will be held. We have an initial proposal to hold it at the foreign ministers' level. We are waiting for confirmation from the other governments to set the level at which we will hold this meeting to prepare for the foreign ministers' meeting.

I want to tell you that El Salvador is very aware of its responsibility for peace and democracy. El Salvador will continue insisting on the preparation of an agenda containing mechanisms and effective instruments to guarantee the follow-up and verification process of all Esquipulas II commitments, including commitments regarding security and political issues.

That would entail—as we have repeatedly said—that the agenda should contain at least three important issues: first, the creation of a security commission; second, the creation of the supervisory and follow-up commission for democracy and for all commitments dealing with the democratization process included in Esquipulas II; and third, the reactivation of the Central American Common Market.

As a result of that agenda, we would issue a statement regarding the strengthening of pluralist and participatory democracy in the area. In addition, El Salvador would again ask President Ortega to issue a statement condemning the FMLN and saying that it would no longer interfere in El Salvador's internal affairs.

Reportedly Set for 15 Feb

PA1001002289 Hamburg DPA in Spanish 2229 GMT
9 Jan 89

[Text] San Jose, 9 Jan (DPA)—According to official sources today, the next summit of five Central American presidents will take place on 15 February 1989 in San Salvador.

The summit was scheduled for 15 and 16 January in the Salvadoran capital but was postponed at the request of Costa Rican President Oscar Arias, who was supported by Honduran President Jose Azcona and Salvadoran President Jose Napoleon Duarte.

Official sources who asked not to be identified said this afternoon that Guatemalan President Vinicio Cerezo, through his Vice President Roberto Carpio, had already agreed to postpone the summit.

"The Central American presidents will meet on 2 February at the inauguration of Venezuelan President Carlos Andres Perez," President Arias said a few days ago.

Arias is waiting for Costa Rica to approve a bill on the Central American parliament.

Costa Rica is the only Central American country that has not yet approved the parliament.

Madrigal Confirms Postponement

PA1001023889 San Jose Radio Reloj in Spanish
0111 GMT 10 Jan 89

[Text] Costa Rican Foreign Minister Rodrigo Madrigal Nieto has confirmed the postponement of the Central American presidential summit scheduled for this weekend, even though Guatemala and Nicaragua did not agree with this at first.

Madrigal Nieto said at a news conference that this is not the first time a presidential summit has been postponed because it would benefit the Central American countries, as President Oscar Arias Sanchez states in his note to the area presidents.

The foreign ministers meeting at which the agenda for the presidential summit would be discussed and drafted could be held in Managua on 16-17 January, Foreign Minister Madrigal Nieto said. The technical working group of the five area foreign ministries would meet on Tuesday and Wednesday [10-11 January] in Managua as scheduled.

As for the foreign ministers meeting, the aforementioned dates have been accepted by Guatemala, Honduras, and El Salvador. However, Madrigal Nieto said he had not been able to talk with his Nicaraguan counterpart, Miguel D'Escoto.

Foreign Minister Rodrigo Madrigal Nieto believes the Central American countries are linked to U.S. policy. Therefore, it is believed that the views of the new U.S. Administration may be beneficial. On the other hand, there has been talk about establishing a new dialogue between the area countries; therefore, to first listen to the views of the new U.S. Administration regarding Central America is not an act of support or submission. Madrigal Nieto added that this does not mean Costa Rica is run by the United States or by Moscow; rather, it reflects the search for what will best benefit the Central American countries.

The planning for the meetings to resume the regional peace process was done in an atmosphere of euphoria in the middle of the inauguration of the Mexican president. Foreign Minister Rodrigo Madrigal said. There was not enough time at those meetings to learn about and discuss important issues, including the peace plan, which could result in the collapse of accomplishments already attained. This is the reason for proposing the postponement of the summit, because then there will be sufficient time to study and discuss the issues that would guarantee peace in Central America, Madrigal Nieto added.

The change in date does not mean the presidential summit is being canceled, Foreign Minister Rodrigo Madrigal said. He said efforts are being made to hold the Central American presidential summit at a time when the foreign ministers meeting is almost a reality; also, it is expected that the summit will take place in February.

Madrigal Nieto stated that what Costa Rica is proposing is not different from what other countries have proposed on other occasions, and which Costa Rica accepted. The date for the Central American presidential summit will be adjusted according to the commitments of the area presidents, Foreign Minister Madrigal said. On previous occasions, the summit date has been negotiated with basic international courtesy, the minister said. The date has always been set so that it is suitable for every country; therefore, no country has ever set the date in a unilateral matter. It is a matter of consensus, he said.

If any country could (?take) the risk of saying it wanted to listen to U.S. policy, it is Costa Rica, because Costa Rica has given much, and very sound, proof of its independence, Foreign Minister Rodrigo Madrigal said. It is well known that our country has had disagreements regarding U.S. policy toward Central America, which have never been hidden. Madrigal Nieto added that on many occasions Costa Rica has had views that differ from those of Washington. Therefore, Costa Rica believes it is advisable to listen to the new U.S. Administration's viewpoints.

Our country does not have any problem in saying it wants to listen to and learn the new U.S. Administration's views on Central America. Foreign Minister Madrigal Nieto said the new U.S. Administration's policy could be constructive; therefore, it could also be useful

for the Central American countries to analyze and discuss this policy. Should the [new U.S. Administration's] policy be positive for Central America, it could be useful in the regional peace process and in establishing a new dialogue with the United States, Madrigal Nieto said.

Venezuelan, Mexican Leaders Urge Unity, Growth
PA0801235289 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 5 Jan 89

[Text] Mexican President Carlos Salinas de Gortari and Venezuelan President-elect Carlos Andres Perez have said that the only viable option regarding economic development is to rejoin the path of growth. They both came out in favor of a formula that will permit greater interaction between creditors and debtors.

At the official residence of Los Pinos, Salinas and Perez voiced concern over the impact of the foreign debt on Latin America. Both expressed the desire to maintain political and economic cooperation and understanding in the region.

Perez met in the morning with Finance Secretary Pedro Aspa, Labor Secretary Arsenio Farrell, and Mexico City Mayor Manuel Camacho Solis. The Venezuelan president-elect held a news conference in the evening. He said that in view of the fall in international oil prices it is necessary to sell less oil at higher prices rather than more oil at lower prices.

Perez said that the Group of Eight is the strongest initiative in Latin America. He said it will play a decisive role and be the rallying point for reaching agreement on problems like the Latin American foreign debt. He brushed aside criticism over his reelection and said that it was his work in government that set the stage for Venezuela's recovery.

Meanwhile, in Caracas, the Venezuelan capital, business and labor leaders reported that during his administration—which will begin 2 February—Perez will implement an economic program that will have a shock effect. The plan is intended to produce immediate results through a devaluation of the currency, liberalization of interest rates, restrictions on credit, and price increases for goods and services. It was also reported that Venezuela will seek a 6-month extension in payments on its \$6.8 billion foreign debt.

Perez said the solution to the Latin American foreign debt is solidarity and not a repayment strike [huelga de pagos] or the creation of Latin American debtors club. He said:

[Begin recording] [Reporter] May we, or should we, understand that Venezuela intends to promote a debtors or nonpayers club?

[Perez] Venezuela's intends to do the same as Mexico, Brazil, Colombia, and all our countries as agreed in Acapulco, Punta del Este, and now at the meeting of finance ministers in Brazil. We are fully in agreement, fully in accord over the path we have to take. Therefore, the issue here is not that one country is trying to convince the others, but that all of us are already convinced of what we must do to defend our national interests. This is reality as we see it and the way Venezuela sees it—a country that finds itself forced to reschedule its foreign debt and to propose new talks with the creditor nations.

[Reporter] What will happen if Latin America does not solve the debt problem?

[Perez] We would fall into (economic) disaster because the debt problem is a formidable obstacle—as I said a few minutes ago—standing in the way of satisfying the huge demands made by our populations; together with the dramatic situation of growing poverty in our nations. It is widening the gap between rich and poor in our countries. Therefore, political instability would be an inexorable and inevitable consequence of the situation [words indistinct].

[Reporter] Mr President-elect, democratic winds have been blowing in Latin American recently. This has fostered greater rapport among heads of state. There is a new diplomacy now—the face-to-face diplomacy among government leaders. In what way does this work in favor of Latin America's integration?

[Perez] We are learning, and we are following the example of the heads of state of the industrialized countries, the OECD, which is made up of the rich nations of the world. We are learning from the seven richest countries in the industrialized world, whose chiefs of state meet

every year. At the same time, we are learning a lesson from the grievous harm we have suffered because of the diffusion of effort in Latin America.

[Reporter] Could the presidents of the Group of Eight declare a strike against the tyranny of protectionism, and of the debt of the industrialized countries, as happened in Venezuela in 1958?

[Perez] The issue here is not a strike but the fact that we, the seven or eight countries that make up 90 percent of the population in Latin America, are going to head—or are now heading—a movement to bring all of Latin American together under one plan of action. That plan is no longer seen as an ideal for the future but as something real, imposed on us by our economies, and by the situation of our (peoples). This is important because we are forced or compelled by our peoples to act the way history has been asking us to act (for a long time).

[Reporter] Thank you very much, Mr President-elect.

[Perez] Thank you very much for giving me this opportunity to talk to the Mexican people. I can say that we are feeling, thinking, and acting in the same way and that options are now appearing for our Latin American homeland. [end recording]

EEC To Donate Air Traffic Control Radars
PA0801152989 Guatemala City PRENSA LIBRE
in Spanish 6 Jan 89 p 2

[Summary] According to Colonel Fernando Alfonso Castillo Ramirez, manager of the Central American Air Navigation Service Corporation, the EEC has authorized the donation of \$30 million for the installation of radars in Costa Rica, Honduras, and Guatemala. This will allow improved air traffic control in the Central American area, including Panama and Belize.

Cuba

Castro Speaks at Main Anniversary Celebration *FL0501133389 Havana Domestic Radio and Television Services in Spanish 2300 GMT 4 Jan 89*

[Speech by President Fidel Castro at the main ceremony marking the 30th anniversary of the triumph of the Cuban Revolution at Cuba's Permanent Economic and Social Development Exhibit, EXPOCUBA, in Havana—live]

[Text] Please sit down; you'll get tired like that.

Distinguished guests, compatriots: I don't know what the acoustics are like here for a ceremony that is not large but where many people are seated and where the seats extend a considerable distance to the back. I don't know if the people in the back can hear well. I think they said they could, right? [crowd murmur] This may require a little patience on the part of those participating in this event who are located behind the press. You have made a sort of mural there. One can see a few dozen—or rather, a few hundred—people there [chuckles] but you can see the main platform. We hope you will remain there, in discipline, and that you will not talk a lot among yourselves.

First of all, I want to thank the hundreds and hundreds of foreign visitors—although they are inappropriately-called foreign visitors and it would be better to call them brothers from other countries—who have come [interrupted by applause] who have come [repeats himself] to our country to participate with us in the commemoration of this historic date and on this happy birthday, which is the 30th anniversary of the revolution.

Happy does not mean that everything is done and everything is well. It means that we are happy to mark the 30th anniversary of the revolution and we feel truly grateful for your presence, because our revolution is not only our project; it is also, in large part, a result of international support and cooperation.

If this pygmy that is the island of Cuba was able to confront the imperialist giant, one must say that it would not have been possible without the support of socialist countries and the progressive and democratic forces throughout the world.

I am not going to make a long and interminable review of the revolution's events, projects, and successes. Instead, it would be better to ask you to excuse us if those of us who speak at a ceremony such as this praise, our own work too much. However, that happens on all birthdays. From children to adolescents, on a child's birthday, you don't stress his faults; instead, you stress his virtues.

There may be a few things, some features, that we can mention to our foreign guests in connection with our country's colossal effort. And, we may mention some of the results obtained.

I will begin with the topic our enemies start off with. I will speak of health, or rather, education and health. Our enemies say that we have colossal successes in education and health. Some super-renegades, however, dare to question our success in education, health, and sports. Later, I might explain why they talk about this. They do this to deny other things. However, that which is very obvious cannot be denied.

Our country does not have many statistics on the past. It has not been easy to find data because statistics weren't even kept. A census was conducted in 1953, and that is the year our struggle began. The military dictatorship of Fulgencio Batista had been directing the destiny of our country for about a year by 1953. Some of the statistics pertain to that census.

For example, it was said that illiteracy was 29 [corrects himself] 23.9 percent. Around 24 percent of the country's population was illiterate, based on the ideas on illiteracy that prevailed at the time. An illiterate person was considered to be someone who could not sign his name. He did not know how to write his name. He did not know how to add. He did not know how to write anything, not even a sentence.

Today, in keeping with modern concepts, many of the people who were not included in this illiteracy count are today considered illiterate. That calculation had been kinder because it was based on the lower standards used at the time to determine that the illiteracy rate was around 24 percent.

I think that based on contemporary standards used to define illiteracy, we could say that our country was about 60 or 70 percent illiterate. The average level of education was no higher than second grade. In no other part of the world today is a person with a second grade education considered to be literate. Those who knew how to read and write, who finished second or third grade, barely learned how to sign their names. I think that school attendance in 1953 was around 45 [corrects himself] about 45 to 46 percent. That was for elementary school. Attendance in secondary schools was around 8 or 9 percent.

Technological education practically did not exist. There were six or seven schools for arts and crafts, as they were called then. In regard to university education, there were between 10,000 and 15,000 university students. Later, during the period of the Batista tyranny, the universities were practically closed. There was 1 basic university and other universities began operating in the eastern provinces. Some efforts were made in Camaguey and Holguin.

Concepts such as special schools did not even exist in our country. Schools for children with problems, with difficulties, did not exist. As to child care centers, no one in this country even knew what a child care center was.

The vast majority of women did not have jobs and the jobs they had were generally very depressing.

Speaking of health indexes then, our conservative estimate is that there were more than 60 deaths per every 1,000 live births. This is not a statistic; we know this because of what we had when we began keeping statistics. There were around 60 or 50 deaths per every 1,000 live births but we really don't know how many deaths there were. We say that it was around 50 or 60 deaths for every 1,000 live births. More than 12 mothers died for every 10,000 women.

Our country had 6,000 doctors. That was not a small number, but they were almost all concentrated in the capital and many of them were unemployed. It is estimated that life expectancy was less than 60. It would be a lot to say that life expectancy was around 60 years of age.

There was no public health system. A large part of the population had no public health service. We could say that in our rural areas where more than half of the population lived, there was no public health service.

More than 30 percent of the active population was affected by unemployment or underemployment. Social security barely reached 50 percent of the population and in many cases the pensions were a pittance. All the retirement funds at the triumph of the revolution were truly broke. They had no funds. That was the situation, the major characteristics, of our country.

Some changes can be automatically measured, and international organizations are familiar with the reliability of our statistics.

Illiteracy today, technically—I say technically—has been reduced to 1.5 percent. People who, because of age or other problems, were not able to learn to read and write account for that figure.

What we can say is that illiteracy has been reduced to 2 percent. Today, 100 percent of the children in the country are able to go to school. This is in the entire country, in the city as well as in the countryside. Today, 100 percent of all youths who have graduated from primary school can go to secondary school. This does not mean that 100 percent of them do; this does not mean that 100 percent show up. There are some children who, because of some type of physical or even social reasons, do not go to school. This is why we do not say 100 percent; we say 99 or 98.

Mid-level education—as we were saying, it stood at around 8 percent before the revolution—can reach 100 percent of the youths of those ages. In reality, 97 percent go to school. That is, between 12 and 16 to 18 years of age when they begin high school. Unfortunately, there are always cases of early marriages. This is unavoidable. Socialism has not yet been able to find [chuckles] the way to prevent early marriages. It tries to promote sexual education, it teaches prevention, but there are some social factors that make it impossible for 100 percent of

children: between the ages of 6 and 18—youths, adolescents—to go to school. However, it is not because they are not given the opportunity to go to school.

Almost all the country's 14 provinces have universities today. In the area of medicine alone, there are 21 medical schools in our country. Each province has a medical school. Each one of the country's 14 provinces, which correspond to the new political-administrative division, trains its physicians and its specialists. There are around 28,000 students in medical schools. This also includes students who are enrolled in dentistry and in bachelor's degree programs in nursing. Out of the 6,000 physicians—well, I am talking about education and university-level schools and not about medicine.

There are hundreds of technical schools and skilled workers in the country. There are around 100,000 regular university-level students and over 200,000—if one includes those who study through various programs, workers who study through tutor programs [estudios dirigidos], nurses who are working on their bachelor's degrees, primary school teachers who are working on their bachelor's degree on special primary school education. Their total accounts for over 200,000 university-level students, although many of them are workers. That is, they are not university graduates who need employment but are studying something related to the job they already have.

There are over 1,000 child care centers. Over 100,000 children attend child care centers. It is an ambitious program. Suffice it to say that Havana built 54 child care centers, with room for 210 students each, in 1987. Some 56 child care centers will have been built in 1988 and the first days of January. In 2 years, 110 child care centers were built. There was a need for 15,500 slots and approximately 24,000 have been created. Of course, it is somewhat difficult to determine the exact demand. Since no possibilities existed some years ago, perhaps some who needed the service did not ask for it.

The country has over 40,000 slots in special education and 40,000 more will be created within the next 3 or 4 years. We will have the total number of slots we need in special education. This is for children who have hearing, sight, social, or certain learning problems. It can also include mental retardation or behavioral problems. In short, there are a number of causes that force society to create those types of special schools. Within 5 years we will meet the needs [leaves sentence unfinished]

There is a program that began in Havana. All of the special education needs of Havana, with its 2 million residents, will be met in the year 1989. We estimate that all the needs of the rest of Havana City Province, which is also preparing its own program, will be met in 3 to 4 years, at the most. These are truly extraordinary steps that our country has taken in this area.

There are lots, lots of different types of schools. There are big exact science schools, pre-university schools in rural areas, different types of technology schools, and sports and science schools. It would be a long list but I said that I wanted to talk only about the major feats.

In the area of health, we can say that, for example, the infant mortality rate, which in 1987 had been reduced to 13.3 for every 1,000 live births during the first year of life, was to be lowered to 13 in 1988; we were able to lower it to 12. Our infant mortality in 1988 was 11.9 which is where we are now. We have sustained this progress and it makes us one of the 20 countries with the lowest infant mortality rate in the world. It places us below several developed industrial nations. I think this has been an extraordinary achievement.

Some provinces.... [changes thought] One province in the interior of the country, Cienfuegos, has brought down its rate to less than 10. Last year we asked ourselves which would be the first province to reduce its infant mortality rate below 10. Cienfuegos was the first, a province in the interior of the country. It reduced its rate to 8.9 deaths for every 1,000 live births.

Another province in the interior, Pinar del Rio, which was called the Cinderella province prior to the revolution because of the number of disasters that occurred there, reduced its rate to 10.

Isle of Youth lowered its rate to 10.4 and the capital of the republic lowered its rate to 10.6, 10.6 [repeats himself]. The capital's rate was lowered to 10.6. In terms of infant mortality, Havana's is much lower than the rate in Washington, the capital of the empire.

Our infant mortality indexes are now similar to those of the United States, the richest nation in the world. It is not the first in low infant mortality rates. Even though the infant mortality rate has come down to 10 in the rich sectors, the white sectors, the black population, the descendants of Latin Americans, the Chicanos, have an infant mortality rate of 15, 17, 20, or more than 20. It's not the same. It is not equal.

When we speak of the infant mortality rate in Cuba or of education, we speak equally for all the residents of the country. There are some provinces that are more advanced. A few are less advanced in the matter of infant mortality but all are progressing and the rate is more or less similar. The highest infant mortality rate is 14 and it is coming down. If it's not 14, it's 15 and it's coming down. I think it was Las Tunas Province. Last year, its infant mortality rate was 18. This year it's around 15. It is making progress. All the provinces are making progress.

The mortality rate for mothers in 1988 was reduced to 2.6 for every 10,000 deliveries. This is among the lowest rates in the world. This gives you an idea of how safe women, mothers, and families are even though the number of deliveries increased.

There is an interesting statistic on tuberculosis. In 1988, the rate was 5.9 for every 100,000, which places us ahead of Canada and the United States; this is significant. The tuberculosis rate in Cuba is below those of Canada and the United States.

There is a.... [changes thought] We could talk about this extensively but it would take too long. We could mention what we are doing with rubella, measles, and other types of diseases. Some of these have practically disappeared, such as tetanus. We are eliminating a series of diseases from our society and it is only possible to do this with a good health network.

The family doctor program was established. It is a very novel institution. There are over 6,000 family doctors. We will have 20,000 family doctors in a few years. The first family doctors are already being placed in factories, schools, and child care centers. Thus, we are going to have a truly extraordinary network.

We are graduating—I believe that we will graduate 3,600 doctors in 1989 and some 4,000 in 1990. In our country today, we graduate more doctors each year than the number that imperialism left us here. Imperialism took 3,000 out of the 6,000 doctors we had. Barely 3,000 doctors were left here. Today we have over 31,000, and in 1989, when the new groups graduate, we will have almost....[rephrases] we will have around 35,000 doctors. These are doctors who are trained not only academically but also in practice, in the constant participation in the country's medical services. The entire country—urban and rural areas—is covered with medical services. This is exactly what explains these results.

We developed medicine in new fields. Our country is already performing heart transplants. Kidney transplants have been performed for a long time. Neurological transplants have begun to be performed. We already have a center dedicated to the development of this activity which has a pretty good outlook. We already have ocular microsurgery. We are developing considerably in a number of fields which are included in what we can call sophisticated medicine.

In the social area, unemployment is a practically nonexistent problem. It is not that statistically there might be a number of unemployed people. They exist not because there is a lack of a certain job; we still need manpower in many areas such as agriculture, on the mountains, forestry planting, construction. They exist because of the

preference of some youths who look for certain unemployment options [as heard]. It does not mean that there is a lack of jobs for any young person in our country though he may not always get the type of employment he might like the most.

Social security covers all workers in the country, 100 percent of the workers. Of course, one of the state's most sacred responsibilities is that related to pensions, retirement, and other social security benefits. Of course, imperialists, reactionaries, and their allies in the entire world attempt to ignore the other advances made by the revolution.

For example, the revolution has advanced considerably in the scientific field. We have over 100 scientific institutions. They were practically nonexistent at the triumph of the revolution. Imperialism wants to deny our advances in economic development, agriculture, industry, and construction. How has our country achieved social results without economic development despite of the fact that we have to develop under very difficult conditions? We have had imperialism's blockade for 30 years. What other countries have been subjected to this blockade? There are very few. The empire has done this with furious hatred. It bans the export of medical equipment and even medicine to Cuba. Not even an aspirin can be brought from the United States into our country. It is a merciless blockade. A few socialist countries are subjected to it. I believe the DPRK, Vietnam, and Cuba are subjected to it. This blockade against Cuba is a ferocious one because imperialists pressure their allies everywhere so that they do not trade with Cuba, so that they do not give credits to Cuba, so that they do not transfer technologies to Cuba.

Nevertheless, our country's economy has grown at a rate higher than 4 percent per year during these 30 years, under these blockade conditions. Some figures can be given. For instance, the generation of electricity has grown more than 8 times in these 30 years—8 times. This is just one of the examples. Steel production used to be very low in Cuba. It has grown over 16 times. Cement production has grown over 5 times; 700,000 tons were produced and today we produce over 3.5 million tons of cement. We have the ability to produce more. There was no adequate maintenance during certain years but now we intend to increase cement production until we reach no less than 4.6 million tons. This is in line with our economic and social development plans.

Production of fertilizers has grown five times. Production of citrus has grown 17 times in our country. Production of eggs has increased eight times. All areas have grown. Nickel production has doubled and continues to grow. All our agricultural production has grown to a greater or lesser degree. Our industrial production, in the light and textile industry, in all areas, have grown several times. Some more and others less. Fishery production has increased 10 times during these revolution years.

It would have grown much more if it had not been for an international measure. We supported it even though it did not favor us because it was a just one. It was the 200 miles of economic waters. Had it not been for that measure, which we supported as a Third World country, we would have increased fishery production 25 or 30 times. We already had a fleet and the staff was ready to fish in the ocean.

The country has made real, serious efforts in many fields of the economy, not only in the fields of education, health, and sports. The empire tries to deny it all. It suits its purposes to say that we do not prosper, that we do not solve our problems. This is a type of idea, of lie, that many people take as a fact. Many people who speak positively of Cuba say we have had great successes in health and education. They do not talk about other successes of the revolution and think that socialism is a failure.

What did the country have to deal with development plans? The country faced development plans with personnel who barely had more than a sixth grade education. All managers, a great number of engineers, university professors, and technicians had left to join their imperialist masters. They went to join the bourgeois and the landowners. There were few agricultural engineers, few veterinarians. Very few were left. A good number of them left the country—engineers, managers, all of them. The country had to begin at zero and face those problems. Often, a sugar mill was managed by a worker who had barely completed the sixth grade. We had to operate in this way during the first years of the revolution.

The revolution did not have experience. We could say that it was the first revolutionary process in a Third World country. There was no experience in the construction of socialism in a Third World country. Only Vietnam, which is a Third World country, was before us. It had achieved liberation but not in the entire country, only in part of the country. It had to mainly focus on the liberation struggle. We had the experience of building socialism 90 miles from the United States—actually, a little bit closer because we have a Yankee base in Guantanamo, in the eastern region, and there is no distance between the Yankee base and our territory. We built it with a ferocious blockade on the part of the United States.

We made mistakes. We have made many mistakes. There was a certain logic to these mistakes. We made two types. At one stage, we made errors of idealism. At another stage, in an attempt to overcome the errors of idealism, we committed errors of economism and mercantilism. I sometimes use a word that is a bit stronger to describe these errors of profiteering. We are now rectifying those errors. It is very important to rectify them without committing the earlier errors of idealism. We are doing it slowly. A number of results can begin to be seen

everywhere. This is not an easy task. No one should think that all these things that have to do with theory, methods, and ways of building socialism are easy in a given country.

All countries are different. There are no two countries that are exactly alike. I would say that a revolutionary process cannot be carried out in exactly the same way in any two countries. Our revolution was creative. Our revolution did not lack creative spirit. It really had creative spirit. Other revolutions had taken place before the Cuban revolution.

For example, I believe that the way we conducted the agrarian reform was truly creative. What was known historically.... [rephrases] All countries that had begun the construction of socialism distributed the land in small parcels among millions of people. They began to collectivize them little by little later—sometimes faster, more abruptly or less abruptly, sometimes with more political methods, and other times with coercive methods. This never happened in our country.

We started by not dividing up the land. We kept the large capitalist enterprises as units, large production units. They were turned into state agricultural enterprises. We exempted from all types of payment those peasants who were already partners, tenant farmers, and those who already had plots of land. We exempted them from paying rent, paying leases, or making any other kind of payment. We made them owners of the land. They became small independent farmers. Through the years, after we boosted state agriculture enterprises, which had the same characteristics of an industry, we began to promote cooperatives slowly, calmly, and with political and economic methods. We began to cooperativize those independent farmers.

The process of joining cooperatives has made progress. Eight percent of the land is still in the hands of tens of thousands of independent owners. We do not have to invent independent owners. We do not have to discover them because we know them. They were there from the beginning of the revolution and still are. They will continue to exist as long as they want because we are not going to force anyone to join cooperatives. We avoid this. There is not a single case of an individual who has been forced to join cooperatives.

The cooperatives movement is making headway. Eighty percent of the land belongs to state enterprises, 12 percent to cooperatives, and 8 percent to independent farmers. We help them. We cooperate with them. We encourage them to produce. We supply them with technology, credits, everything. We excuse them from paying their loans every time there is a disaster, cyclone, plague, or any of those things.

I can say that the majority of the country's agricultural production in all the fundamental areas such as sugarcane, livestock, citrus, rice, meat, milk, eggs is what

supplies our country. It is a result, first, of the work of state farms and, second, of cooperatives. State farms and cooperatives supply the vast majority of agricultural produce in the country. Sugarcane is our main agricultural item. Eight percent of our small independent farmers contribute and cooperate but they do not play a fundamental role in Cuban agriculture, in the development of our agriculture. Of course, agriculture gets better and better. It used to have the same problems. We had no agricultural engineers, no economists, no veterinarians. Initially, farms were administered by workers with fifth and sixth grade education.

Our agricultural industry exports foodstuffs for 40 million people around the world. It exports foodstuffs for 40 million people with its sugarcane production. It exports calories for 40 million people with its production, such as sugarcane, citrus, and other crops. So, had we not carried out the type of agrarian reform we did, sugarcane production, sugarcane agriculture would have ended. We would have ended up with small farms; self-sufficiency and basic supplies for the population would have not been guaranteed.

I believe our revolution was creative, for example, when it carried out the agrarian reform [corrects himself] not the agrarian reform but education, the campaign against illiteracy. It turned into a model. We were the first country to eradicate illiteracy within practically a year by mobilizing hundreds of thousands—mainly students—in that campaign. This is how it started. Then a follow-up campaign was carried out.

I repeat, our revolution has been creative in many ways. I would say that some of the things we have done have been done by us alone. Other countries have not done them. We are really proud of some of these things. For example, I believe that the work-study program implemented in our education system is one of a kind in the world. No other country has it. Combining work and study is the result of the implementation of Marx's ideas. It was not only Marx who had the idea. Marti—two great thinkers, two great revolutionaries—also came up with the idea. At a given time, we were determined to put it into practice because we believed in the idea, because we were absolutely convinced that if education became universal, work had to become universal, or else future societies would simply become societies of intellectuals incapable of working with their hands.

This can be one of the most serious problems that the world can face in the future, especially for those who want to build a just social system, those who want to build socialism. It is terrible for men to evade manual labor. We decided to make that practice universal. First, through the vacation time agricultural labor program and, later, through rural schools. Therefore, practically all of those under 40 in this country have participated in production with their own hands. It is a generalized norm.

I believe that the excellent traits of our youth, those thousands of hours of voluntary work they are capable of giving, the tasks they are capable of carrying out here or any place in the world have a lot to do with the education system implemented by the Cuban revolution. It has a lot to do with the work and study system. [applause]

We now begin to harvest the fruit. We see it everywhere, every day. No one becomes scared here when he is called to engage in construction, agriculture, or any other kind of task. There are examples that are truly impressive. We have the largest citrus grove in Matanzas Province. It is around 45,000 hectares of fruit.

One day it will be 50,000, perhaps 60,000 hectares in this hard and rugged terrain. Not many people lived there. The citrus plan developed was based on the rural schools program, with students participating 3 hours daily. This program does not make anyone dull; on the contrary, it makes the student smarter. It teaches him more about life, to appreciate his schooling better. I wish I had been sent to a school like that! This year's plan has already produced over 400,000 tons of citrus fruit. Over 400,000 tons of citrus fruit this year. Over 100 million pesos in citrus fruit. This system is based on the rural schools. The small rural schools are the soul of this plan. I could ask you to search the world for a similar plan—that is, a plan that produces 400,000 tons. To be sure, it began years ago and it is now yielding fruit. This plan is based on the work study program and on the efforts of young people. They are proud of their production and increase it every year. I have no doubt the plan will someday produce 1 million tons of citrus. This plan has become a scientific and educational complex. It entails diverse systems of irrigation, fertilization, and treatment of plants. And the program is moving, moving fast. In the past 2 or 3 years, this plan has made great progress.

However, this is not the only program. This program exists in almost all of the country's provinces. The biggest program is on the Isle of Youth. It is one of the basic features of our educational system. This program is unique in the world. We also have volunteer work. In our country, volunteer work has reached levels unheard of anywhere else in the world. Here, we can say calmly, objectively, and realistically, that the masses' participation in solving problems has become a cultural trait of our people. Contributing to society is part of our revolution's way of thinking and ideology. These levels of participation have not been reached anywhere else. These things happen systematically in our country.

The idea of minibrigades is another contribution of our revolution. It helps to rationalize the use of materials. The problem of the participation of the masses in the country's social development.... [changes thought] We have to build many children's centers, schools, and polyclinics. First of all, we have to build many houses. We can develop stone, sand, and cement production. We can do many things to produce materials. However, we need a labor force to build all these projects. Often there

is not enough manpower for economic and industrial projects. Social development requires a labor force. The concept of minibrigades—which I will not explain to guests here—emerged in or around 1970. It was very promising, but went into decline, precisely because of errors of profiteering, of economism, and because of certain mechanisms that were introduced in our country's development that turned out to be truly negative. I cannot say otherwise. The minibrigade concept has been revived now in a more perfect and stronger form. It is the means to pursue our special social development. It is not the only way, but a fundamental one, especially in Havana. Before the minibrigades were revived, we could not talk of building a child care center, simply because we lacked the labor force to build it. One child care center, gentlemen! One polyclinic! In the year we revived the minibrigade concept in Havana, we built 53 child care centers. The 5-year plan called for five centers. Building them was totally forgotten simply because we lacked manpower, yet 54 child care centers were built in 1 year. This year, including some days in January last year, including some days into January, approximately 56 centers were built; 110 in 2 years! At the pace we were going without the minibrigades and with old methods, it would have taken well, 100 years, to build a center. The minibrigades were a resounding success in the people's social development; that is, in building homes, child care centers, and schools.

Thanks to the minibrigade's work, this year Havana will have 100 percent of the polyclinics it needs. We had them, but some were converted installations. We built them, or we are building—we have finished two of them! We are building others until we reach the 20 polyclinics that the minibrigades will build this year. This year, the minibrigades will build or complete the 24 special schools Havana needs to meet its entire enrollment for special schools.

I do not know [chuckles] if our guests know what minibrigades are. It is very simple. We ask the factory: How many meritorious workers do you have? Send 20, 30, 40, 50, or 100 workers. Whether in a socialist or capitalist system, every factory has a surplus of people due to reasons too numerous to list. This happens due to poor planning, paternalism, or an inflated number of workers. We say: Send me 50, and let the other workers do the job. The workers who stay do their job without working extra hours, easily and with little rationalizing. The minibrigade members earn the same wages they did in the factory. There is only one difference. How many hours did he work at his job? They say 44 hours. I want to see what factory really works 44 hours at full capacity.

The minibrigade members come here to work 60, 65, or 70 hours. What did they come to do? Build homes for the factory's workers, and to build social projects like children care centers. Not all the work is for the factory's workers. The state makes a contribution. The factory pays the workers' wages, while the state reimburses the

factory for the wages it paid. So the minibrigade members earn their factory wages. The state provides materials, land, plans, equipment, everything! The workers.... [changes thought] It is up to the factory to build 50 percent of housing. We will increase that percentage this year. We will raise it to 60 percent [applause] in 1989. There is always something missing because there are people who cannot work in the minibrigades such as mid-level school teachers. It is not easy. Many needs emerge. We need a housing fund.

However, the idea of having the factory provide workers is very attractive. The factory rationalizes its work, reduces its expenditures, while the minibrigade members build homes for the factory's workers or do the other social projects I mentioned. This turns out to be a very attractive formula. This movement is quite strong. We have the social minibrigades, which is another idea. We have neighborhood residents build their own homes in run-down areas or where housing is poor. If a housewife joins, we pay her. If a young man not working or studying joins, we pay him. If a worker is not indispensable to his factory, his factory releases him. We have social minibrigades. In Havana we have 35,000 minibrigade members. Whatever is not solved with.... [changes thought] The problem here is not one of labor but of materials. We are applying an intensive program in the construction materials industry. We have no shortage of labor. We can almost say [chuckles] we have too much.

This concept really gives the masses specific and direct participation in solving problems. If there is no labor force, who will build homes? Well, the masses. We must say, this project, this project [repeats himself] was primarily built by minibrigades. Perhaps the most amazing thing [applause] perhaps the most amazing thing [repeats himself] for our visitors, amazing for our visitors [repeats himself] was that the minibrigade members were not professional construction workers. The visitors were amazed. How can these people undertake this sort of job? Without the concept of minibrigades and without the revival of the minibrigade movement, we could not even dream of building this type of project. Before the concept of minibrigades was revived, any person talking of doing this sort of project would have been immediately locked up.

There was no labor force to build a child care center! Yet, this year alone, minibrigade members have built over 50 child care centers, many projects, and thousands and thousands of homes, in addition to this huge EXPOCUBA project. They have completed dozens of construction projects, in addition to this truly colossal work. The minibrigades did this. I think this says a lot, or better explains, the concept of mass effort.

If we are satisfied with this work, if we have succeeded in building an extraordinarily useful work such as this Permanent Economic and Social Development Exhibit, it is because of the minibrigades. EXPOCUBA has many uses: It serves as a quality control mechanism for products; it

brings people's opinion of products to the industries that produce them; and it stimulates the economy because products and services can be exhibited there. A work such as EXPOCUBA was completed because a mass organization that solves important problems appeared. I believe that this is one of the most notable elements of this work. Perhaps this work will give visitors an idea of what the minibrigades are. Our compatriots do not need to know what they are, because they have been hearing about minibrigades for a long time.

I believe the contingent of construction workers is another conception typical of our revolution and another unique institution. [applause] I dare to talk about these contingents, because I have already asked you to forgive me for all the positive things I was going to discuss on this birthday, on this day on which we celebrate the birth of our revolution, which was in fact a few days ago. I would also like you to tell me....[changes thought] I know there are many good things throughout the world and in many revolutionary countries, but I believe there are no workers' groups such as the workers' contingents we have organized in Cuba.

We created these contingents based on specific principles and on our dedication to work, and we did not begin by building small things. We built a scientific center. The results achieved by the contingents of construction workers are fabulous and we already have thousands of these contingents. We created the first contingent in 1987 within the rectification process and we already have between 10,000 and 15,000 builders in those contingents. We will continue increasing the number of contingents systematically.

The first contingent we created, the Blas Roca Contingent, did incredible things. [applause] The important thing is that the idea of contingents of construction workers spread and they are now found in all Cuban provinces.

What is a contingent of construction workers? It is a group of workers who put organization and remuneration together. We apply the socialist formula in the remuneration process. Contingent workers get paid in accordance with the amount and quality of work. There are no other mechanisms, because other mechanisms complicated and disturbed the quality of our construction. We sought adequate remuneration principles. The first principle is that those workers do not work for the money they receive. No man would do for money what those contingents do. To pay them in accordance with what they produce is a proof of consideration toward our society, but those are part of [word indistinct] There are no schedules. The 8-hour schedule has been forgotten. Work schedules may be very good things in England, the FRG, or in countries with high productivity and automatic lathes. However, one of the worst things we inherited from the former colonies, and from our colonizers or neocolonizers, is their level of consumption—or aspirations to that level of consumption—and their

work schedules, when productivity in those countries is incomparably higher than ours. We have often lacked labor, because sometimes there were not enough hands to build or because some do not prefer that type of activity. However, we did not abolish the 8-hour day. God forbid. They would call us the most backward people in the world. No, no. We invented something much better. We created workers' contingents and they forgot about working hours. We have free Saturdays and working Saturdays. Previously, we used to work until 1200 on Saturdays; then we began working every other Saturday. Contingents forgot about free Saturdays. [applause] All contingents forgot about labor laws in the sense that discipline within the contingents is not set by legislators, the law, judges, Labor Ministry officials, or an administrator. Discipline within those contingents is set by the workers themselves. They criticize and punish, because contingents do not tolerate idlers, absenteeism, or people who are late for work. It is an amazing fact that there is practically no absenteeism in our contingents. Contingents are in charge of their own discipline. n to work rules among the construction workers contingents—this does not mean that things will always be this way. This is a phase, the struggling phase of a Third World country wanting to build socialism and to develop.

Of course, if we happen to have too many workers available, that does not bother us. We can then say: Let us work three shifts. The contingents work 12-hour shifts and more often 14- and 15-hour shifts. These contingents are made up of workers with whom you have to fight to get them to leave work. This is a most interesting situation. Historically the problem has been getting people to work, but here we have to keep an eye on the workers to tell them: Do not stay. We already have too many workers. Go home and sleep. They always come up with excuses for working, excuses such as: One day it was raining and I did not work; or: We are falling behind and we want to finish. Contingent workers are the best fed workers in Cuba. Care for the workers is of key importance. The contingent workers get prompt medical attention, and a doctor is readily accessible to them. This is a principle. The contingent construction workers have air conditioning. They have no mosquito problem and they have no heat problem. They have adequate quarters, food, and clothing.

In the building of socialism, attention to the people is of key importance. The capitalists, who are neither foolish nor lazy, often invent programs that give the appearance that man is being cared for; however, what the capitalists really want is to exploit man, to make a profit. To assure this, they often afford attention to their workers.

In socialism, the system forgot about man because, since work is considered an obligation, the system trusted everything to the workers' sense of duty. We insist that it is of key importance to attend to man so that workers will realize that they receive the respect they deserve and that they are trusted so that they dedicate themselves to work.

We trust in these things. If I did not, I would have left the revolution. To carry out the revolution, we had to wage a very difficult struggle in the mountains. There we saw demonstrations of everything a man can be and can do. If we do not believe in the people, then the best thing for us to do is to put our revolutionary card aside and forget the whole thing in order to dedicate ourselves to other activities.

If we do not believe in man, the best thing we can do is to forget the socialist label and to invent something—but not socialism because this has been in existence for a long time. Capitalism does not have to worry about any of these things. Capitalism was invented by history. It is the result of laws that emerged spontaneously. Socialism has to emerge as a result of work and programs. It represents the opportunity to program development for the first time. This is an extraordinary privilege.

If we trust in man, we can see the miracles man can perform during revolutionary wars to seize power and in the struggle to build socialism. We did not know these things in the past as we know them now. We did not see things clearly. We were not born revolutionaries. We have been learning during the march. Every day we learn something new.

A \$100,000 bulldozer is worth three bulldozers in the hands of the contingent, and the maintenance the equipment receives is impressive. It is a promising situation. This is a creation of the revolution, one of the most recent creations of the revolution.

I believe that the institution of the family doctor, within the conceptual framework of the Cuban primary health care system, is unique in the world. This idea came up some years ago. It was tested and then implemented. It developed and now the most remote mountains in the country's east have family doctors. In the capital, the family doctor services are available to 63 percent of the population. This service will be available in child care centers, in schools, in factories. This institution is having incredibly good results. It is also a creation of the revolution.

We could mention other things. I believe that the way the revolution has implemented our idea of a mass organization and a broad and complex mass organization system is unique.

I consider our electoral system unique. We have a revolutionary system that is very often questioned, but the way representatives are nominated in each constituency—which is the basis of all the state's power—is unique. It is the people and not the party who nominate the candidates. There are no more than eight candidates and can never be less than two. They are nominated by the masses, the people, without the party having any say in the matter. It is citizens from local neighbors who meet as constituents and nominate the candidates.

This does not happen in any other country. We need not feel embarrassed over the shameless slander against our revolution when we have an electoral system that no other country has. We established it this way because this revolution emerged and developed very close to the masses.

If the majority of people were counterrevolutionaries, they would only need to nominate other counterrevolutionaries and most of the representatives would then be counterrevolutionaries and would go against the revolution and socialism.

We hold two grass roots elections every 5 years, and the representatives can be reelected by the voters. The electoral system established by the Cuban revolution is really unique. We have no need to go elsewhere to learn anything. In fact, we could really say why not come here and learn how a democratic electoral system can be made. [applause]

There is something else that is associated with this: I feel that our concept of defense is unique and that our country has developed in a unique way, with the total participation of the masses. Do any other countries have anything like this? I do not deny it—there are other countries. We, however, believe that we have the right concept, our way of organizing the defense system with the participation of all the people—workers, students, men, and women. Millions of people take an active part in our defense system. There are some capitalist countries that question democracy in Cuba. There can be no democracy better than a democracy where the workers, the peasants, the students hold the arms. [applause]

To all the Western countries that question democracy in Cuba, I say: Go ahead and give the arms to the workers, to the peasants, to the students, and let us see if you can start hurling tear gas canisters to put down a strike, or at any organization that struggles for peace [applause], or at students. We would see if these countries could send out the police, covered with shields and all that equipment that makes them look like astronauts. We would see if these countries could attack the masses with dogs every time there is a strike or a peaceful demonstration or a people's struggle. I think the litmus test for democracy is to arm the people. [applause]

When defense becomes the task of the people and arms become the prerogative of all the people, then there is democracy. Meanwhile, there are specialized police teams and armies to put down the people when the people show discontent over the abuses and injustice of a bourgeois system. It is the same in a Third World country as in a developed capitalist country. We see this constantly on television newscasts from the United States and Europe—Europe brags so much about their democratic systems. We see how the people are run

down by specialists in repression and brutality, something that has never ever been seen in our country in the 30 years of our revolution. These are not the typical characteristics of our revolution.

I would venture to say—and I would feel sorry if someone were hurt by this—that the levels of massive internationalist awareness that our country has achieved have not been attained by any other country. [applause]

We see proof of this every day, and it is not only seen in statistics. Over 300,000 fellow countrymen have participated in the FAR's internationalist missions in Angola. [applause]

This figure does not include the civilians who have also participated in cooperation programs abroad. Currently, there are 50,000 fellow countrymen in Angola. There is something even more important: If 50,000 more fighters were needed, our country would be capable of sending them there. [applause]

Another proof of this is the fact that when 2,000 teachers were needed in Nicaragua, 30,000 teachers volunteered to go. When the counterrevolution murdered some Cuban teachers, 100,000 teachers—practically all primary school teachers—offered to go replace them. [applause]

During the earthquake in Peru, over 100,000 people donated blood throughout the entire country in 10 days. [applause] Following the earthquake in Armenia, over 30,000 Cubans from Havana—not including those in the entire country—donated blood. [applause]

I saw in the spirit of the Havana residents the willingness to donate blood hundreds of thousands of times if necessary. They tried to be well organized so not a single drop of blood would be wasted and so the blood would be well processed. I am sure the period to make blood donations has a limit, but we could have easily had 50,000 or 60,000 blood donations in Havana, which is equivalent to 200,000 or 250,000 blood donations in the entire country. You can tell they have spirit. Normally it takes a year to make 400,000 or 500,000 blood donations, but our people are capable of doing that in a month. If only there were some way to collect it, to store it, and to process it, it could be done. It is an extraordinary proof of our internationalism. I saw it every day when I visited that blood bank. We saw that one of the problems was getting included in the list of blood donors. They said: Hey, count me in. Hey, I want to be included in the list. Hey, we want to go to Nicaragua, we want to go to Armenia. Every time we have a group of workers, we see this. They all want to have the honor of helping out in Bluefields or in Armenia.

I believe our people's internationalist spirit has reached high levels, and we can feel proud of that. Was it like that before? Could you find someone in a bourgeois society wanting to travel to Bluefields or to Armenia or even to

help out in Angola or any other country? This is inconceivable in a bourgeois society, where man is alienated and where ethical and moral values do not count at all.

Those values are the most common thing among our workers and youths. I believe the spirit of cooperation our people have expressed toward several Third World countries has not been expressed by any other Third World country. A Third World country like Cuba, which is a developing country, has reached high levels of international cooperation. Our doctors, builders, and teachers are in dozens of countries as the result of our spirit of cooperation. We have the highest number of foreign students per capita. There are over 18,000 foreign students on the Isle of Youth. I believe the experience of those students is also a unique and extraordinary experience that unites our people with the rest of the world. Our spirit of cooperation characterizes the creation and spirit of our revolution, of which we feel very proud and which we must trust. We must maintain our creative spirit, and we must continue with this noble work of building socialism in our country.

By the way, I almost forgot about EXPOCUBA. [crowd laughs] We not only forgot about EXPOCUBA but also about our botanical garden. We had agreed we would also inaugurate our botanical garden today. In fact, we are now located in the middle of those two works: the botanical garden here on one side and EXPOCUBA on the other. The botanical garden took many years to build. It took us 20 years to build, because obviously to have a botanical garden we had to plant very small trees, many of them from seeds. Sometimes, we got impatient and wondered whether we could transplant animals—no, not animals, I mean trees. [crowd laughs] Animals are for the zoo, which is not far from here. We are also building a big zoo.

Anyway, the technicians said we could not transplant big trees, because trees that are born from seeds are stronger, but there are still a few transplanted trees, especially certain types of palm trees here, because we had no choice. We worked for 20 years on this 600-hectare botanical garden. I believe it is an extraordinary scientific center. This garden is the work of our university students. It was assigned to the University of Havana, and especially to the Biology School. This botanical garden is a reality today. The construction of this garden began 20 years ago. It has been in use for some time, so we had to inaugurate it someday, and I think today is the day. EXPOCUBA is on one side and the botanical garden on the other. The main facilities are up, but in this type of center one always has to be building or adding something. There are always new needs, but the botanical garden is already as much of a reality as EXPOCUBA. The only exception is that trees here are already green while trees there eventually will turn green, because the green areas in EXPOCUBA were just planted, and it will take a while for them to turn green. We decided to inaugurate these two works on the revolution's 30th anniversary.

We must mention the cooperation of a German scientist, a true disciple of Humboldt, Professor (Bise), who helped us with the project of the botanical garden. Unfortunately, 4 years ago while working in Cuba, he was killed in a car accident. He, however, bequeathed us many of his ideas for this garden.

We have talked about EXPOCUBA here today. The comrade director of EXPOCUBA brought very interesting data here today, and the comrade responsible for the construction itself also brought information. We already said EXPOCUBA is the result of the work of our minibrigades. If there is anything that has not been said about EXPOCUBA, it is that from the construction viewpoint, this work is a real lesson. The practical methods used, the savings of materials, and the use of a certain light steel represent a building method that can help us build things that must be built quickly, because the construction techniques used here can be used to build stores and supermarkets.

In Santiago de Cuba there is a plan for the application of this technology on a train terminal that should be completed before the beginning of the fourth congress. Many problems can be solved as a result of this construction technology and our experience. Usually industrial plants with steel structures have 60 kg of steel per square meter. These structures have 20 kg. We have to say that the planners, the designers, the technicians—all Cubans—who performed this work have earned much respect from their performances. This is my opinion. They were able to produce structures that are both functional and beautiful. They were told what was wanted, and they grasped and brought about the realization of the idea. They enhanced the idea and they have achieved truly impressive results. The work done by the planners of the project—the architects, engineers, and designers—must be pointed out.

Something else that must be pointed out is the spirit of cooperation among the workers: More than 100 heads of families who have jobs with other enterprises worked for EXPOCUBA as well. There is the support also of other organizations that felt they had a commitment here, knowing that they would have a pavilion in the plant and that they would be able to show their products. They also contributed in an extraordinary way.

A few days ago, I met with workers who built EXPOCUBA, and I told them that I had visited the center on several occasions but had never really seen EXPOCUBA until a day when, going past the building, I noticed how enormous this work is. I believe this has been a great achievement, an achievement that will be very useful. The experience we have gained will be very important for our economy. This experience will have an impact on the economy, not only through expositions but also because of the knowledge gained in the construction of EXPOCUBA.

This center was built in record time. It took less than 24 months between the time the idea was conceived and explained to a group of comrades who were assigned the task of making the idea tangible and the moment when work was completed. The planners were on the job from the moment the project was initiated.

Land removal work began only 20 months ago, with few resources and with a not-too-large labor force. The big push began about 1 year ago, in December 1987. The workers performed the feat of finishing just a few hours ago. We could say that EXPOCUBA was finished this morning. [applause] I came here 5 days ago and there were sidewalks and stairs to be built. The essential work is finished.

Whenever visitors came here, they wondered if this work was going to be finished on time. I remember that one day, when I was about to ask if this center was going to be completed by 1 January, a construction worker, Comrade Avelino, told me: We wrote a poem entitled Yes, It Will Be Finished, and we recite it to everybody who comes here harassing us with questions about whether or not this work is going to be finished. [applause]

I was lucky I was told about the poem before I asked if they were going to finish on time or not.

I, of course, had confidence that the work was going to be finished on time. I know what man can do when he sets his mind to something. The work hours here were 14, 15, and more hours a day. On not a few occasions, the workers worked two shifts, one after the other, working for 24 and even 30 straight hours. Volunteer work is the work carried out after working the regular 8 hours, and the work done on Saturday or Sunday.

It is amazing. I remember that one day they introduced me to Comrade Avelino, and they told me he was going to put in I don't know how many hours of voluntary work. And he succeeded. How many hours did he work? How many? [Someone says: "3,500"] He put in 3,500 hours of volunteer work. Every time I went there, I found him working. Sometimes his eyes were red from working so much. It is the type of thing one would not want workers to do, but who can forbid them from doing that? Who can stop them? No one told workers to do that. No one encouraged them or asked them to do that. They themselves said: We will put in a few thousand hours of voluntary work. I sometimes came at night or early in the morning and saw Avelino there with his sometimes red eyes, and I wondered how he could do it. He is here today. He is the first one to receive a diploma for having put in 3,500 hours of volunteer work, and he looks younger than ever. [applause]

While the diplomas were being distributed, I was impressed when some people came and told me: I am already on the list of those who are going to Bluefields. Others told me they were not on the list yet but wanted

to be on it. [Castro pounds the podium] I told them not everybody can go to Bluefields and Armenia. Regarding Armenia, the Soviets still have to decide whether they will use foreign volunteer builders. We agreed to help Nicaragua rebuild Bluefields. I believe in a few weeks our volunteers will be working there. Of course, not everyone can go to Bluefields or Armenia.

When I spoke about our people's spirit of internationalism, I should have said that 300,000 Cuban builders offered to go to Armenia. That is another truly impressive figure. [applause] Of course, we cannot send 300,000, or 30,000, or even 10,000 volunteers. We will make a partly symbolic and partly real contribution. We will probably send 1,000, or 2,000, or perhaps even 3,000 men. We are waiting for the Soviets to make a decision, but the important thing is that 300,000 men offered to go to Armenia.

If something must be said about EXPOCUBA, it is that if visitors tour the entire complex—they would have to walk several kilometers to do that, by the way—and if someone tells them Cuba spent \$50 million on imported parts from the capitalist world, they would think it is logical and normal for Cuba to have done that. In this work, however—in which each cent has been accounted for, in which the money spent to buy raw material for painting, or photographic and electrical material, or motors or special lights we do not have, was accounted for—we did not even spend \$5.6 million in convertible foreign exchange. And we are talking about the dollar, which is worth practically nothing these days. It is truly unbelievable when we see this work. Experts are carefully calculating the cost of all the socialist material we used. They are not calculating the cost of the finished product, but the cost of the material to the enterprises. In other words, we are calculating the cost of raw material, mainly steel, from socialist countries, primarily from the USSR.

We thought that material would not cost more than 7 or 8 million rubles. If anyone were told this work cost \$150 million, they would not question that figure. I am sure this work in the United States would cost no less than \$150 million, without taking into account the land, which increases the cost of construction projects there.

This work cost approximately 30 million pesos. If we take into account that it was built by minibrigade members, we could subtract the cost of salaries. In other words, this work did not require a single extra centavo for salaries.

Of course, some organizations helped out, but they did not hire new employees for the project. I believe the convertible currency spent can be recovered in less than 3 years. We believe that the upcoming international fairs scheduled to be held in Havana should be held in this national exposition center. If this were done, the convertible currency spent would be recovered in a short time. I really believe the workers have made a worthy contribution on this 30th anniversary.

I know I have talked long enough, but I have a few things I cannot leave out today. They are matters of international interest. It is very difficult to not associate, to not associate [repeats himself] this 30th anniversary with the peace agreements on southwest Africa. I spoke on 5 December on the factors that gave rise to the last effort our country undertook in Angola, the critical situation that had been created, and the need to rescue that situation. I explained that to you, and I should not repeat myself. You, my fellow countrymen, may also recall how we said that any peace agreement should be based on principles, otherwise there would be no peace agreement. We clearly stated, following certain demands made by the South African racists, that no agreement would be signed if these demands had to be met. We said that if necessary, we would be willing to remain there 10, 15, 20, or more years.

We acted on this in extensive coordination with the Angolan Government. In the end, the final obstacles were overcome, and the peace agreements, with which you are familiar, were signed. I also believe that it was an extraordinary victory of our people's internationalist spirit. This is not the time to defend the things that were done, however. That is a historic work, and some day it should be written down with every detail. The important thing now is the fact that the agreements were reached and that they have been signed at the United Nations.

Now a very important part of this process is the application of Resolution 435 decreed by the United Nations more than 10 years ago. This is a fundamental question, because it is associated with the matter of Namibia's independence, for which SWAPO [South-West African People's Organization] combatants have fought many years and have sacrificed tens of thousands of lives. Now the conditions need to be created so that elections can take place in an independent Namibia that needs to decide its destiny. We are basing this on the premise of the huge support that the fighters for Namibia's independence must enjoy among their people.

Nevertheless, some obstacles have arisen. On this topic, so as to not leave anything to improvisation and to say everything with precision and clarity, I have brought a few pages that I want to read to you. It is necessary that our people and international opinion are clearly familiar with the difficulties that arose in the attempts... [corrects himself] due to certain attempts to modify Security Council Resolution 435. The idea to make these modifications came from the United States, which is a permanent member of that council.

Early in the quadripartite negotiations, our delegation stated that it was necessary that the UN Security Council act as guarantor of the agreements to be reached and that the United Nations act as guarantor of compliance with those agreements.

Following the signing of tripartite agreements between Angola, Cuba, and South Africa and of the bilateral agreement between Angola and Cuba, the group of Nonaligned Movement countries that currently form part of the Security Council presented a draft resolution that the United Nations act as guarantor of the agreements. This draft resolution was presented in addition to another resolution that the Security Council has to approve, one that has to do with the steps that must be adopted now to comply with the original resolution that ruled on the Namibia independence process, Resolution 435, which was approved more than 10 years ago, in September 1978.

As you know, the Security Council is composed of 15 members, 5 of which are permanent members. The other 10 positions are rotated among other countries elected to the council.

Simultaneously with the proposal made by a group of Third World countries that includes seven nonaligned countries and Brazil, the five permanent members of the UN Security Council—the United States, the Soviet Union, France, China, and the United Kingdom—presented another proposal to the council. This proposal refers to the agreements but also includes points that are modifications to the plan on the implementation of Resolution 435. Because of this, this proposal was rejected by the nonaligned countries in the Security Council. This group is composed of Yugoslavia, Nepal, Senegal, Algeria, Colombia, Ethiopia, and Malaysia.

The essence of the five permanent members' proposal is that it is necessary to reduce the costs of the Namibia independence process. The proposal argues that the costs were estimated 10 years ago and that right now, in addition to the inflationary situation in the international economy that increases costs, the United Nations is going through financial difficulties. It also is being argued that the signing of the agreements has created favorable conditions that permit cost reductions that would result from sending fewer international forces than what was originally estimated in Resolution 435.

It must be stated that the approval of either of these proposals represents a key point in the process started by the quadripartite negotiations. This is because an approval would be a mandate from the UN Security Council to the UN secretary general to begin Namibia's decolonization and to lead that country to independence.

Cuba shares the concern of the Nonaligned Movement countries in the Security Council, because financial considerations must take into account, first of all, the political consequences that such considerations may have.

It is fitting to recall that Resolution 435 of 1978 has become the essential element that defines how Namibia will achieve independence. This resolution is the product

of an agreement by Western countries, including the United States, so it cannot be accused of being biased in favor of SWAPO or of not taking into consideration the demands made at that time by South Africa, with which the resolution was discussed in detail when it was being drafted more than a decade ago.

Following a period during which the resolution was ignored by the South African Government, the possibility of a real implementation of the resolution has emerged now, thanks to a peace process to which Angola and Cuba have made important contributions.

The international forces that should arrive in Namibia have a fundamental role in the stages scheduled for the process leading to independence. These forces must oversee the cease-fire, the withdrawal of the South African and SWAPO troops to specific areas, the supervision of the South African troops' withdrawal, and the prevention of infiltration through the Namibian borders. They must also oversee the dismantling of the local troops created by South Africa over 7 decades of colonial domination. The civilian component of the UN group providing assistance during the transitional period in Namibia must also play a fundamental role in monitoring over 400 voting tables estimated for the elections in a territory of over 800,000 square km. These calculations made 10 years ago had taken into account the Namibian population at that time, which has since increased by 50 percent. Therefore, the number of voters has also increased, and they will decide who rules the country after the South African withdrawal.

In 1978 it was estimated that seven UN battalions would be required for all these tasks. Those battalions must oversee the withdrawal of over 100,000 South African soldiers, more than twice the number of soldiers 10 years ago. The troops of the Territorial Army—natives dependent on South Africa—are estimated to be over 20,000, and the police—also controlled by South Africa—today number over 8,000 men, which exceeds several times the estimate when Resolution 435 was issued.

On the other hand, the argument that the agreement allows a reduction in the number of troops at the Angolan border is also far from reality, because this zone has never been regarded as a factor endangering the Namibian independence process. It has always been estimated that the area that would require strict vigilance during the elections and the formation of an independent government is the Namibian border with South Africa, the country that has taken over this territory. There is a danger during this sensitive transition period: possible actions by paramilitary groups that South Africa may organize with the members of the so-called Namibian Territorial Forces, which contributed to the colonization of their own nation. It is a fact that the presence of the international troops sent by the

United Nations are the only guarantee for holding elections and that for years the South African regime has been preparing conditions that will favor the groups supporting its colonial or neocolonial interests.

It is impossible to try to ignore the important role these international, military, and civilian troops will play in the process prior to independence, in the creation of the favorable psychological atmosphere, and in building confidence among a population colonized in the most brutal manner for 7 decades. We do not oppose, should it be possible, a reduction in the costs for the implementation of Resolution 435, which should not mean a modification of its fundamental purposes. There can be no reductions if they affect what the UN troops should represent during the process to oversee the following: the South African Army's withdrawal, the dissolution of the puppet army, the reduction of the police forces and control over them, the protection of the population, the return of over 80,000 Namibian refugees, the preservation of an atmosphere that will allow fair elections, the formation of a government, and an agreement on independence. This is what is being discussed now in New York: If the letter and spirit of the agreement for Namibia's independence or the Namibian people's right to freely determine who will rule them are endangered under the pretext of reducing costs.

Cuba has spoken out clearly on this delicate matter to the governments of the USSR, PRC, France, and UK. We also explained our position to U.S. representatives in New York during the last round of negotiations.

The United States is the main sponsor of these reductions, which come under the guise of cost reductions. We feel that what is now being discussed is not just one more agreement, resolution, text, or new pronouncement. What is at stake is much more important; something for which thousands of Namibian fighters have given their lives. Angola's support also contributed to the Namibian people's liberation struggle. Our people's children have also shed their blood during over 13 years of confrontation against South African arrogance in Angola.

What is now at stake is whether UN mechanisms are capable of carrying out the legitimate will of the Namibian people; of guaranteeing the international community's nearly unanimous ambitions for the peace process in southwestern Africa. This matter cannot be dealt with only from the financial angle. The United States, cosponsor of Resolution 435, knows very well that any reduction in international troops favors South Africa. Cuba will maintain its position of principle in this current struggle, the same way it did during the long months of negotiations with South Africa and the United States.

Our country is not a member of the Security Council, but it is intimately involved in the Namibian independence struggle, in strict compliance with Resolution 435. In addition, Cuba is also identified with the stance of the Nonaligned Movement, clearly expressed by seven of its

members at the UN Security Council. We also believe that during these times when, at least in certain areas, there seems to be an opening for prospects for a negotiated settlement—which of course can only be possible following the peoples' stubborn fight—there is a need to preserve, as never before, the United Nation's prestige and authority. Here we all have a responsibility, especially the Security Council's permanent members. This is basically what it is all about. That is very important, lest the efforts of Namibians and other peoples for so many years become frustrated.

There is a new event surrounding this dispute: It is the first time in the history of the United Nations that the criteria and viewpoints of the Security Council's permanent members are at odds—strongly influenced by the United States—against the criteria of the Third World countries, in this case represented by the countries of the Nonaligned Movement, over a very important topic involving the people of the Third World. It has to do with the fight against apartheid, with wiping away the last traces of colonialism, and with the sovereignty of a country like Namibia.

This exceptional, unusual event in which this controversy takes place could bring under discussion—and I say this with full responsibility because I am very concerned about what is happening over this problem—the question of democratization in the United Nations. Sometimes there are things that are so sacred, because of habit and custom, that they seem untouchable. The time has apparently come to discuss this problem. Otherwise, we could not even think of developing new concepts of international relations.

We have the right to ask ourselves: What kind of democracy exists in the United Nations if what remains of the old British empire, the UK, which colonized a large part of the world in every ocean for centuries and which has 50 million inhabitants, has the right to veto the resolutions of the Security Council? However, a country such as India, for example, with 750 million inhabitants—15 times the population of the UK—and a former British colony, does not have such a privilege. We could mention other countries with great economic and industrial power in the world or with great authority or prestige in the United Nations that do not have such a privilege.

Third World countries with 4 billion inhabitants can see that their most sacred interests, aspirations, and hopes are dashed simply by the veto of any one of the five permanent members of the Security Council. Over 40 years have passed since World War II. We live in a totally different world that must also be ruled by different norms. Today we are faced with the reality that 4 billion human beings living in countries that were once colonies, once exploited, and once enslaved have no similar rights. I think this matter is very important and is worth considering. We have a duty to mention it here at this time.

There are new aspects of this controversy that has emerged at the UN Security Council, and I believe it is a problem that our nation and especially international public opinion must follow closely. We have exhausted all means, contacts, and arguments with the members of the UN Security Council. Apparently, as of now, the desired results have not been achieved. There may be other ways to cut expenses. We can ask for the cooperation of African countries. I am sure many African countries would be willing to cooperate with a minimum of expense to maintain the number of troops that are needed in Namibia. There are many ways to cut expenses.

We agree with that goal and that idea. Too bad we cannot be there, although we sent seven battalions and did not charge one single cent. [applause] We, however, cannot be there, because we are part of that conflict. There are, nevertheless, countries like Nigeria, Ethiopia, Tanzania, and many other African countries that would have gladly offered their cooperation at little cost, because they would not have high transportation expenses or other types of expenses. It is not so difficult to put together seven battalions, but at the beginning they were thinking of reducing the number of battalions from seven to three. That was truly troubling. Now, however, we are facing that problem. We have the duty to explain the facts, because each party must assume its corresponding responsibilities. If South Africa comes up with the idea of somehow thwarting Namibia's right to independence by using methods such as fraud, terror, coercion, or by establishing a puppet government in that country.... [changes thought] We hope the problem will be solved and we hope the permanent members of the UN Security Council will not make a display of arrogance and prepotency and that a fair, reasonable solution that will be discussed with Nonaligned Movement and Third World representatives to the UN Security Council will be sought.

Cuba worked very seriously during the negotiations, hoping all those things will be solved. We will take the necessary steps for the strict fulfillment of the agreement signed in New York before the UN Security Council. It is our responsibility to withdraw 3,000 soldiers within the period from the day of the signing of the agreement until 1 April 1989, when UN Resolution 435 goes into effect.

We have 3 full months to complete that withdrawal. That is our commitment, which is an initial gesture. Cuba and Angola asked the United Nations to verify the withdrawal of our forces within the aforementioned period. On 10 January, the withdrawal of those 3,000 men will begin. [applause]

We hope the first Cuban internationalist combatants to leave Angola will arrive in the country around 11 January. [applause] This will be a net withdrawal. All details were discussed, because the period for the progressive and total withdrawal of our forces will be the 27 months after 1 April. During that period, we will have to rotate our personnel. The case of these 3,000 men is a net

withdrawal of troops, and as far as we are concerned, we are determined to strictly fulfill the agreements and we hope the other parties will do so as well.

There is another aspect of our international policy, which I would like to briefly refer to.

As you know, on 5 December, at the ceremony to commemorate the landing of "Granma" and to deliver the flag that represented that the capital's defense forces are ready, in front of hundreds of thousands of fighters we analyzed concepts involving defense and the need to remain alert and ready to defend the country.

I think we should state something very clearly and sincerely: We completely support the Soviet Union's peace policy. It is good to clarify this because many times in Western countries, the imperialist and capitalist press does nothing more than incite and incite, and try to develop contradictions between Cuba and the USSR or stress contradictions or exaggerate the contradictions that there may be, which do exist in some matters and which have no reason to become a source of friction in relations with the Soviet Union.

I think we should go on the principle of absolute respect for the roads that each country follows or considers convenient to follow in the method of socialist construction.

But there should not be the slightest doubt that we completely support the Soviet Union's peace policy. [applause] We not only support it, we highly appreciate it. We are aware of the importance of avoiding the risks of a nuclear war. We are aware of the importance of stopping the arms race. We are aware of the need for a policy of peace and detente to prevail in the world. This is vital to Third World countries.

Billions of human beings are suffering tremendously the consequences of the poverty and underdevelopment that colonialism left behind. As we said on 5 December, every 3 days 120,000 children, who could have been saved, die. This is like dropping an atomic bomb every 3 days. For countries saturated with debts, countries that are being mercilessly exploited by unfair trade mechanisms, for countries that urgently need a new economic order, peace is an indispensable premise. Without peace it will be impossible for them to face problems. They would have no hope of resolving the debt problem, of erasing the debt, in a, let us say, negotiated way. There are other ways of erasing the debt.

Without peace, without a climate of detente, if the arms race does not stop, those countries would have no hope of having resources for development. The resources used in the arms race alone would be sufficient to produce development in those countries. The appearance of Comrade Gorbachev at the United Nations has much historic and strategic importance. He took the banners of the Third World and he waved them as his own. Those

are the banners for which we have been struggling for many years. He spoke about the debt. We have said that the debt should be erased, that it should be erased from the world.

Comrade Gorbachev said there should be a 100-year moratorium. For practical purposes, postponing debt payments for 100 years and erasing the debt are the same thing. [applause]

Linking the objectives of disarmament and development with the need for a new international economic order is a very serious and very basic matter. We fully agree and also decisively support USSR policies on this issue. Who could oppose a policy of peace? Well now, regardless of the major strides made—because Soviet policies have managed to create a new international climate—these policies have categorically and unquestionably proven who the enemies of peace are! Who the enemies of detente are! They are not the socialist countries or the Soviet Union. I think this fact has been unquestionably demonstrated, as never before.

However, I warned we were running a risk, and that a very important matter still remains to be defined: How imperialists interpret peace. What do imperialists regard as peace? What do imperialists understand peaceful coexistence to be? We voiced our fear that the imperialists could apply their peculiar concept of peace—as they have done so often before—and could regard peace as peace among the superpowers, while reserving to themselves the right to oppress, exploit, threaten, and attack Third World countries. One day that country could be Nicaragua. Another day it could be Cuba. Another day, any other country, as they have been doing all these years. The imperialists regard peace as the right to apply their policy of being the world's policemen.

We said this was a very important, very fundamental matter that still remains to be decided. And it must be decided in a clear and categorical manner. Not even 30 days have passed since those words were uttered, and here we have an example. Several days ago, the United States raised a big scandal about an alleged chemical weapons factory in Libya. The President of the United States openly spoke about the possibility of launching an air attack on such a factory. There is even a squadron [as heard] moving toward the Mediterranean after his threatening attack was made. There is a hysteria campaign under way in the United States to create the conditions for this attack. The Libyans have said they have no such factory and they don't propose to construct a chemical weapons factory. What they are doing, they say, is constructing a pharmaceutical plant. However, I don't think that explanation was necessary. We cannot favor chemical weapons. We are in favor of eliminating all chemical weapons from the earth. The question here is whether the United States has the right to decide who manufactures chemical weapons, to decide that they will attack and bomb a country that manufactures chemical weapons. [applause]

The United States has the largest arsenal of chemical weapons. It has a powerful arsenal of chemical weapons in addition to its nuclear weapons, and the United States feels it has the right to manufacture and accumulate chemical weapons. Why does the United States feel that it can deny this right to any other country? Is there an international agreement somewhere in the world on the suppression of chemical weapons and the prohibition of their production? If the Libyans were constructing a factory to manufacture chemical weapons, what right does the United States have to bomb that country? What right does it have to bomb that factory? It intends to apply the law of the jungle in the world, the law of the strongest. Is that the U.S. interpretation of peace and detente? How can any Third World country feel at ease under those circumstances?

And now a U.S. squadron is moving into the Mediterranean, and U.S. television has even explained the type of techniques the Pentagon would use. Those techniques avoid endangering planes and avoid overflights, so they would launch cruise missiles from a submarine stationed somewhere in the Mediterranean. In other words, modern technology will be at the service of warmongering policies and aggressiveness, and will threaten the world and its peoples. That technology will be at the service of the war against Third World countries. It is something shameful, embarrassing, and truly infuriating. They continue to freely discuss the type of technology they will use and they maintain their threats. We are facing facts that justify our asking: What does imperialism understand as peace? We want peace and we must struggle for it, but peace for all peoples. We want the kind of peace to which all the peoples of the world are entitled. [sustained applause] [crowd shouts: "Fidel, be sure to hit the Yankees hard"]

We want peace with respect, rights, independence, and security for all the peoples of the world. That is the kind of peace for which we must all struggle. That is what the international community demands. I believe that now, more than ever, there must be a very alert international awareness.

I could talk a lot about those topics. We could, for example, say that in a special way imperialist propaganda and disinformation organizations are concentrating on Cuba very much at present. They are treating Cuba brutally. The Western powers would like to tell us what to do. I do not know why we have the strange privilege of having them worry whether we do or fail to do this or that, or whether we imitate something, or whether we copy or fail to copy something else. They have turned this into something related to our people's essential rights, and have made it a topic of almost daily discussion.

We are not scared by that, of course, and we do not get discouraged. On the contrary, we are highly honored, because we never thought we were so important. The truth is we do not want to alarm people and we do not know what we have done to keep so many people awake

at night. What I can assure you of here, as I assured you in Santiago de Cuba on 1 January, is that the revolution will not change. I believe the secret of this revolution is having been loyal to its principles from the beginning; to have been loyal to those principles during the last 30 years and to be willing to be loyal for another 30 or 100 years. [applause]

I believe that is the most significant heritage we can bequeath to future generations: The basic idea that one must be loyal to principles. There is only one way to survive such difficult conditions as the ones that Cuba has experienced the last 30 years: by being loyal to principles, by not being intimidated by anything, and by not allowing anyone or anything to change the pure and straight line of the revolution. [applause]

That is what we can offer our friends in the world. Cuba will continue being loyal and faithful to those principles, and we feel we have the duty to say it here, because, as I said at the beginning of my speech, the revolution is not our work, but everybody's work.

In Santiago de Cuba, I said the revolution did not result solely from our struggle against Batista; it is the fruit borne of more than 100 years of our people's struggle, the struggles of several generations, which began the moment our country started thinking as a nation.

The same can be said about our socialist revolution. It is not the fruit of our effort alone; it is also the fruit of centuries of struggle, of the working classes' efforts beginning in the past century, of the Paris Commune—even though it did not attain victory—of the October Revolution, and of the struggles of many peoples to create a world free of slavery, of man's exploitation by man—a world in which justice truly exists.

Socialist revolution does not take place in an isolated world; it has a place in today's world, where there are still big tragedies, where there is still an empire as powerful as the United States. Today imperialism still exists; today there is still a group of industrialized capitalist nations that are powerful and affluent, which impose their rule on a large part of the world. This revolution is the fruit of all of this.

This revolution is the fruit of international cooperation, of cooperation with all the socialist nations, especially the USSR. [applause] I will never forget the support we received at decisive moments. I will never forget the economic cooperation and the fair trade rules established between the most highly developed socialist countries and Cuba, and between the USSR and Cuba. The capitalists do not tire of daily repeating that this cooperation is aid; that it is a way of subsidizing the Cuban Revolution.

Third World countries have struggled for decades for fair trade rules, and by virtue of this struggle we have not become victims of the brutal phenomenon of unequal trade, through which the developed capitalist nations sell

their products at increasingly higher prices, while purchasing our exports at increasingly lower prices. This is not the type of relationship we have with the socialist countries and the USSR; with them we have fair trade, as should exist between developed and developing countries, which is even fairer within a socialist community. The imperialists describe this as a subsidy, as everyone can see daily on all the cable stations. The fact is that our sugar is bought at a different price and not at the rate paid at the garbage dump of sugar at the world market, and where—for all practical purposes—there is no sugar trade.

I will never forget that it was possible to establish this type of relationship between the socialist countries and Cuba and the USSR and Cuba, which has meant a great deal to us in our effort to develop, in the great battles waged, and the great successes achieved in many cases.

We do not think, not even for a minute, that this is the result of our effort alone. Quite the contrary. We think our people must keep making greater and greater and more and more efficient efforts. We keep saying, as we say today, that our people must turn every year into three or even four years. I believe we are moving forward along this path. But we do not forget what we have received from the world and from other peoples, the moral and political support and the solidarity we have received from all corners of the world, from Latin America, Africa, Asia. We cannot forget the support we have received from the progressive, democratic, and revolutionary forces throughout the world, and even from capitalist countries, where we have many friends who have not let themselves be deceived by the abusive large-scale propaganda against our revolution.

We have not yet expressed the most important and essential part of our thoughts. This is why, at today's event and at this moment when we commemorate the 30th anniversary, we want to express our gratitude to all of you who have joined with us to commemorate this anniversary. We want to express our thanks to your peoples and all that you represent, the just causes and the noble ideas for which you stand.

We want to thank the hundreds of guests who are here, and the people they represent, in the name of our people. Fatherland or death, we will win! [applause]

Castro Speaks at EXPOCUBA Luncheon
FL0701043189 Havana Television Service in Spanish
0126 GMT 3 Jan 89

[Remarks by President Fidel Castro during luncheon for EXPOCUBA construction workers on 31 December, place not given—recorded]

[Text] Comrades, when I saw that there was a platform, microphone, and the national choir here, I realized that I was not going to get away with saying nothing at this luncheon. [laughter, applause] Of course, three beers were included with the meal—which was the original

plan, and plans are always fulfilled [laughter] and sometimes overfulfilled. We have more people here than we had estimated. After three beers and a luncheon, it is the worse time to listen to a speech. [laughter] It is even worse to give one. [laughter] I had the privilege of being seated at one of the first tables which were already served. When I saw this multitude of people, I wondered how they were going to handle the trays and everything else. They may be the [word indistinct] workers, but some deficiencies must be noted because there are some tables where they haven't eaten yet. You don't even have to ask to know they haven't eaten. All you have to do is look at the silverware which is still wrapped in the paper to know they haven't eaten. [laughter] We were concerned; we spent a lot of time making calculations. Just 2 or 3 days ago, we were still discussing how much food we would need and for how many people—for 3,000, 3,500, 4,000. It is better to have extra than not enough. Don't worry, those of you who haven't been served, there is enough. [laughter] [passage indistinct, followed by laughter and applause] I can see that those who have already eaten are also applauding. [applause]

So, we said that it was better to have extra than not enough. We calculated how many pigs we needed. We get them every year from an experimental farm, and then we distribute them among minibrigades, contingents. But, I think this lunch used them all up. According to the calculations, there were approximately 13 large pigs. We made an arrangement with the Blas Roca to organize a luncheon, and they were also given something to organize their luncheon separately. If those people came, seeing how much they work, and how much they eat [laughter], then it would have been a great headache. But they were pretty content. The Blas Roca wanted to be separate, there were about 400 or 500 of them. Ah! I see (Palmero). [addressing Palermo in the audience] What are you doing here? [laughter] Are you going to eat twice or what? What is this? At what time was your luncheon? At 1500? You already ate? [answers indistinct] You left them alone over there? [answer indistinct] All right, that's fine. [applause]

So, we thought that for 4,000 people it would be enough, maybe a bit more. When I got here, I asked how many went over there. I was told approximately 4,700. So I said: I wonder what will happen here. I asked if there was enough, and I was told, yes, that there was.

When I saw some tables here, I asked: Where are the apples? [laughter] What happened is that apples were sent to EXPOCUBA and they were also sent here by some genius [algun facultoso]. We won't discuss who it was at this hour on the 31st of December. [laughter] He said, no—since he was not too bright [medio melocoton]—he wasn't going to send apples here. [laughter]

The apples weren't for EXPOCUBA. There was a ton and a half of apples for the luncheon. (Cotelo) also told me that they took 5 [unit of measure not given] over there. I told him: But that's separate.

During this last stage of EXPOCUBA, the last stretch of this marathon, we have sent about 12 tons of apples. We also sent a small reserve of apples that we had there. They were separate. However, someone said, there are peaches there. There are peaches there, why are you sending apples? They are fragrant. They smell good. They're not very big but they taste good. They are Bulgarian. If nothing else, you can stick them in your pocket and take them home. [laughter, applause]

Then I come here and ask about it. I was hoping for apples. I said: Well, if there's no pork, then we'll have to fill the people up on apples. I asked the director: Didn't the apples arrive? He said: No, the apples are at EXPOCUBA. We got the peaches here. I asked him if there was any food left. I won't tell you all he told me, but he said that yes, there is enough food for everyone. He also told me that—this may be imprudent, but I'm going to say it and if someone wants to repeat it, they may [laughter, applause]—it appears that no special tragedy occurred this afternoon. The only thing is that some people have eaten and others haven't. They will have a much better appetite than those of us who ate earlier. They have also been drinking beer.

We planned for three beers a person. Imagine that! It's so abundant! After the feat you accomplished with EXPOCUBA, why should we haggle over beer? We said that no one is going to get drunk with three beers. I think they have distributed 2 and a 1/2 beers, I'm not sure. Did you get three or two beers? [crowd responds: Two! Unidentified man says: (This is) the third one.]

If the apples were forgotten, then they were forgotten. [laughter] But if we have leftover beer, even if it's only a third, then it should be passed out here. [crowd cheers, applauds, whistles] We were making an approximate calculation that three beers will whet the appetite. You can make people a little happy but no one will get drunk, especially not strong people like you who have eaten well—that is those of you who have eaten. [laughter] I think the others are drinking the beer and they have a tremendous appetite. If there were no food for them, I think they'd leave this luncheon in a faint.

The beer says 12 proof [grados] but it's not 12 proof in alcohol. That is a beer measurement and it refers to the [word indistinct] of the beer because it is made with more malt. It contains more cereal from the malt and it is heavier. It has a little more alcohol than the 10-proof beer. However, 12 proof does not pertain to alcohol. This is about 3 or 4 proof in alcohol. Wine, in general, is 11 to 12 proof. Rum is about 40 proof. Rum is made smoother. The alcohol with which the rum is made is about 60 or 70 proof. They combine it with other ingredients to make it smooth and a little more breathable. No, they didn't bring any rum here. I don't know when they'll do that. That must be for you tonight in your own homes. [laughter]

Here we have beer that is nutritious, makes people happy, but doesn't make anyone dizzy. These are the characteristics of the beer.

I think that everything will end up well and this luncheon will be unforgettable for us. In general, people don't usually eat lunch on the 31st. They eat at night. Some people wait until midnight. In general, people don't eat or they eat a normal meal on the 31st. However, I think that the idea of this luncheon was a very good one.

This was an old commitment we made the last time we were together. We said that before EXPOCUBA was finished, we will have to hold a luncheon. At that time it was held in the pavilion. There's no kitchen there now. The school exists and it is a friend of ours. Perhaps that's why we can let each of you have a half a beer if there are not too many of you. [laughter] We could send it to them some other day so they can hold a luncheon!

The EXPOCUBA school has begun operating. It has no kitchen because they have taken it out. I think they are cooking here. The school has rendered us a great service with this luncheon. It was no longer possible to hold it over there, but it was better to hold it here. It's an experience. I don't know where they got all those tables. Did they come from the school? [Unidentified speaker answers: They're from the school and also from EXPOCUBA] Did you bring tables from EXPOCUBA? Did you bring the exhibit tables and everything here for the luncheon? [laughter] [Speaker says: No, we got them from the dining rooms] The tables are from the dining rooms. Are the chairs from the school here? [Speaker: The chairs are from both places] They are from both places. I don't know how you arranged this gigantic luncheon. It is well-organized.

I think that the next one can be better organized because something has happened that the food has not arrived. [Speaker: They are eating now.] The food is here? The food is arriving? It will be difficult for whoever is on there way. It will be very difficult for them to arrive until I finish because there is a multitude of people out there with their flags.

However, it has been truly very satisfying for all of us to participate in this luncheon, in this proletariat luncheon. It is a truly proletariat luncheon with people and compatriots who are workers such as you.

Some always work more than others. Some are so outstanding that they have to be named vanguards, such as that one that you lifted up on your shoulders. All those people are always very modest. They get embarrassed if you talk about them.

Others don't work as much but sometimes a large collective work spirit develops and everyone seems more [corrects himself] less agitated. [Speaker says: They're calmer] They're calmer and they're capable of working like those that work harder.

This reminds me of a comrade during the war. When he arrived, he seemed like a comical figure. Someone saw him coming down a road—we were up on a ridge in the Sierra Maestra mountains—someone saw him coming down the road, [word indistinct], short, and thin. When we saw him, he was wearing cowboy boots like the ones they wear in Mexico. Everyone saw him. Everyone liked him but he was comical. They called him the little cowboy. [applause] They called him the little cowboy. [repeats himself] He spent a lot of time with us, months, many months. He was with us a long time, even during the offensive.

One day there was a small group guarding a mine, not a gold mine, a mine that explodes. [laughter] It was during the last enemy offensive and we had to guard every path, every road, even those it was unlikely that the enemy would use. The best positions, the best ambushes were in the more likely locations. We simply estimated where they would come from based on where they were, the topography of the area. We always guarded all routes even if it was with only three or four people.

One day the little cowboy was there. He was not a chief but he was with the group. They were guarding a mine. This was the day before the battle of Jigue. I remember we were going to meet on a hill in our area with the people who were on the other side of the river, those who were on the other side of enemy lines. I heard a bomb explode in the direction we were going. I said: Something must have happened there. There was an explosion. I could hear some shots. We didn't have to go there. We didn't know who was there. We didn't know if our people or enemy soldiers were there. We kept climbing and carefully approached. There was a small group of five or six people with me. We didn't know what happened. We heard the explosion as we began to climb uphill.

Fortunately, there wasn't anyone there when we arrived. I say fortunately, because our people weren't out there but neither were the guards. [laughter] So what had happened? While an enemy patrol unit was climbing the hill, a mine exploded, a few shots were fired, and the guards went downhill and our people went uphill—the two groups of people disappeared. [laughter] They were new inexperienced people, and the little cowboy was among those people. Who would have thought the little cowboy would be a great soldier! So the offensive continued, he didn't really stand out much, yet. However, when it was time for the invasion, he wanted to become (?involved) in it. He had just started to stand out. So, he went with Che, and who would have known that the little cowboy became the best soldier of Che's column! [applause] He became a platoon leader. His platoon became known as the suicide platoon, the one which was capable of carrying out the most difficult operations.

When I was looking at yesterday's paper I saw a picture of the little cowboy [words indistinct] and it reminded me of all that. So, I say, anyone can be a great soldier. That is the conclusion that must be reached. We could

mention another example: No one would have thought that Che would become what he did. Che was seen as the doctor for the troops. He would go to target practices, he was disciplined, he was a good marksman; but no one would have imagined that Che would be the great chief he became.

Camilo was another example. I will tell this story affectionately, because I may say a few other things. When we first saw Camilo, a small group of us had met. Some comrades made the mistake of listening to the farmers who told them to cross [not further specified] and then they would send over the weapons to the soldiers. Some comrades did this and they lost their weapons. Some of them arrived without weapons, among them Camilo's group and Che's group. They didn't have much experience in that. We were still in a group when Camilo arrived. We met again after being dispersed for a long time, and Camilo was in the small group that arrived.

Camilo was known for his appetite, which was larger than any of yours. [laughter] We all had large appetites, because on the ship we had gone hungry. We went hungry a lot of weeks. So sometimes it seemed like nothing was enough. If there were 20 of us, a farmer had to kill a (?bullock). Farmers are good and generous, but they are generous with chicken, pig, turkey, or anything like that. There were 15 of us. However, our appetite was larger in our heads. We imagined a greater appetite than what we could eat. After having gone hungry several days, you have an appetite but you can't eat. So there were leftovers. Like the ones they were talking about here. I am sure that if there are leftovers, some of you, after drinking the beer, will go for seconds. Although some of you left food on the plates, but not much from what I can see, which makes me happy. So, when there were leftovers, the first one in line was Camilo. [laughter] We would say: This guy is greedy. [words indistinct]

It must have been around late December when we had met on someone's farm. There had not been combat yet, or important battles, or feats. Who would have thought that that comrade, who we had seen as a greedy person, would be the great chief, soldier that he became. [applause] Such is life!

I say anyone can be a great soldier. I also think that anyone who becomes motivated and educated in a certain idea can be a great worker. No man likes to be less than the others. That is why when there are great workers who set standards and set an example, others imitate him. This is because no man—and I repeat it—and no woman likes to be less than the rest. However, man is generous enough to admit that others are better than him. That is what happens when a vanguard or an outstanding worker is named. Man is generous. Although no one likes to be less than the others, at a certain moment man can say: You are better than me. But for

one person to tell the other that he is better doesn't mean that some day the other will be better than that person. This is because man is a giant, each man has a giant within him.

We must discover that giant to thrust forward the revolution, because the revolution is a task of giants. Today is the revolution's 30th anniversary. The mere fact that it is able to mark its 30th anniversary is in itself a feat, because we had a very powerful enemy who wanted to destroy it. However, the enemy has not been able to destroy it, regardless of whatever errors or deficiencies it may have. However, this task continues to move ahead. It is a task for the end of this century and the beginning of the next, and our giant people must move it ahead.

When you look at that exposition, observe it, discover it—and you must discover it, that is the first thing that must be done in EXPOCUBA—you realize it is a project of giants. But to appreciate it, you must discover it. Even I, who have gone numerous times to EXPOCUBA, went to the central pavilion and other places. I have gone all around it. I didn't know what EXPOCUBA was. You know when I find out what EXPOCUBA was about? It was approximately 2 days ago when I found out what EXPOCUBA was about.

I remember how the idea came about. It was based on an exposition by the SIME [Ministry of the Steelworking Industry]. It was made out of simple metallic [word indistinct], we thought that exposition was very interesting. We found out that 200,000 people had visited it in a week; it was near the Revolution Square. So, I thought, what a good idea it would be to have an exposition such as this one representing all the sectors of the country, a permanent exposition. This would be something that could not be seen through radio, press, or TV, but right there, in person. It was based on that SIME exposition. So we said: Based on this idea, why don't we organize an exposition of all the achievements of the country's science and technology, including all the branches? We looked for a place and found it. We put the idea in the hands of a group of comrades, and those comrades enhanced the project. It was based on the simple construction methods with metallic (?materials) and with the idea of exhibiting the products of each of the sectors of the country. Based on all this, minds were put to work by planners, designers, organizers. They created a great thing.

Even I had not realized what it was. I thought I knew what EXPOCUBA was. It wasn't until the other day when I left the central pavilion and went to some of the other pavilions that I found out. Above all, I toured each one inside. I went inside the child care center which is (?nearby). When we got to the fishing industry pavilion, and I looked in the other direction, I was told it was the light industry pavilion, then there was the Ministry of the FAR pavilion, and others followed. We continued going around. We went to the food industry pavilion. We

arrived at the lake and we saw a lot of things there. We went around again, and we had already walked about 1 kilometer looking at buildings. That day, I truly found out what EXPOCUBA was, and the people will discover what EXPOCUBA is. [applause] [Castro pauses and listens to indistinct speaker from audience]

I figured out how much it cost us. If we tell someone that this cost \$50 million in convertible currency, they believe it. If you tell them \$60 million, they believe it. But the amazing thing is that EXPOCUBA has cost less than \$5.6 million in convertible currency [applause]. It doesn't even reach the figure of \$5.6 million. Almost everything was done here. You should see how much was produced here. It must be figured out, but it has \$7 or \$8 million in materials from convertible currency areas. If you tell someone this cost \$100 million, they won't doubt it. This project is gigantic, impressive. You never finish looking at it. Someone told me that it takes 3 days to see EXPOCUBA. I think that EXPOCUBA must be seen in 1 week. I asked at some pavilions how long it would take to see them well, and I was told 3 or 4 hours. When I multiplied.... [sentence left incomplete] When that is finished, it will be impressive. EXPOCUBA will not only be a Cuban exposition. It may be turned into the center for the yearly international fair which is held in Havana. [applause] With the expositions, EXPOCUBA will recover in 3 years the convertible currency that was spent there. However, the most important thing about EXPOCUBA is the interest that has been shown in it. As we had thought, all the country's organizations have taken an interest in it. They have worked so hard, and they will turn EXPOCUBA into an emulation center. This will be a center where everyone will have to exhibit their product. No one can estimate what this will mean for quality, for cooperation. EXPOCUBA itself is a miracle of cooperation. Thousands and thousands of enterprises have cooperated. That is why EXPOCUBA has been possible. No one can estimate the benefits that the country will get from EXPOCUBA! The one thing I am sure of is that one day Havana and the whole country will feel proud of having an exposition center such as that one. We estimate that no less than 2 million citizens from throughout the country will visit it. [applause] Every foreigner who comes to Cuba must also be taken to EXPOCUBA for them to see what is not seen in a magazine, television, or paper article. They must see in person the things our people are capable of doing.

The fact that our nation, by itself, with its technicians, engineers, planners, and project workers, has been able to do this is in itself something extraordinary. I can say I am truly proud to know that our workers have been able to do that, and in the amount of time that they did it. [applause] That is why any foreign visitor to Cuba—industrial, tradesman, importer, exporter—will feel admiration for what our nation is capable of doing. That is why, if the people will feel proud, the construction workers will feel even prouder of what they did.

That is why, as I look at today's experience.... [sentence left incomplete] I asked if there was a list of all the

comrades who have come to today's luncheon. I asked them to try to have the names of some of the comrades to see if we can meet again at some other time. [applause] Maybe we can meet when EXPOCUBA has become prosperous, famous, so that we don't see each other only once. Let's try to meet again with the revolutionary combatants who made EXPOCUBA possible. [applause]

That is why, comrades, you and your family deserve the warmest congratulations. What you have done is a sign of what the revolution can do. If all this was done in 30 years, when there wasn't experience, when there was only a handful of technicians, engineers, and architects—since an large number of them left—this give us an idea of what the country can do in the next 30 years. This is a time when we already have tens of thousands, hundreds of thousands of university graduates, enthusiastic youths: aware, revolutionary, working, patriotic, and internationalist. With what we have today, I think that in the next 30 years we can do 3, 4, 5, or even 10 times more than what has been done in these past 30 years. [applause]

Congratulations to all of you, comrades, your families, and our people. Fatherland or death, we shall win!

Castro Comments at Youth Caravan Ceremony Noted
*FL0901151389 Havana Radio Progreso Network
in Spanish 1200 GMT 9 Jan 89*

[Text] Commander in Chief Fidel Castro spoke yesterday in Ciudad Libertad on the occasion of the 30th anniversary of the triumphant entrance of the rebel army into the capital. Thirty years ago, and from that historic place—then a military camp of Columbia—Fidel also spoke to the people of Cuba.

The youth victory caravan recalled the journey into the city made by Fidel at the head of the rebel forces. The beautiful activity the pioneers carried out concluded in an emotional atmosphere and with high patriotic fervor.

Fidel, who spoke to thousands of Havana residents present at the event, dedicated his speech to the evaluation of the role the new generations must fulfill to guarantee the historic continuity of the revolution. He said that the current generation must fight ideological battles, not to create socialist awareness but to defend and perfect socialism. He noted the principal changes in the country during the past 3 decades and he affirmed that revolutionary laws, more so than words and sermons, made the Cubans socialists. He said that socialism in the country has come a long way, but that the responsibility and the tasks of the new generation are very large.

He explained that it would be an illusion to think that the difficult period of the revolution has passed. He assured them that imperialism has not given up the idea of destroying the revolution and socialism in Cuba, because it is too prepotent, arrogant, and proud to do so. He

indicated that, even at the world level, imperialism has also not given up the idea of destroying socialism. On the contrary, he said, it appears to be more persistent. He added that even if the current generation does not have to plant the seed of [word indistinct], it does have the immediate need to fight a difficult, subtle, and complex battle in the defense of the ideas of socialism. He clarified that this is not a challenge only for the Cuban youth and people, but also for the people and youth of socialist countries.

Further on he noted that there cannot be socialism and communism without moral education. He said that human beings do for honor and morals what they would not do for all the money in the world. It is an insult, he said, to think that man is only moved by material interest.

In another part of his speech, Fidel said that the teaching of Marxism must be less dogmatic and more dialectic, which does not mean more liberal and opportunistic. He said that we must not be led by the idea that the heroic stage has already concluded, and he cited the events in Angola—one of the most heroic feats of our history. A lot of heroism is still needed in work and defense.

He also emphasized, in another part of his speech, that our people must fight together with the Latin American nations and that it has the duty of helping them and cooperating with them. He said that if socialism is not yet on the agenda of the region, the true independence of Latin America is. He indicated that the social system of each Latin American country does not concern us; however, everything that unites us does concern us—the interest in defining in what kind of a world we will live and what kind of peace we will have.

Fidel concluded by saying: I have the most complete certainty that no other generation in the history of our country has ever had the privilege of seeing another young generation follow it like the present one.

Angola Holds Ceremony for Departing Troops
*FL0901135389 Havana Tele-Rebelde Network
in Spanish 1200 GMT 9 Jan 89*

[Text] Tomorrow, the first 450 Cuban internationalist troops serving in Angola begin the official return to the fatherland.

The event will be held at the 1 May Square in Luanda where a parade will be held and the Angolan people will bid farewell to our combatants. This will be enthusiastic proof of gratitude for the unselfish aid that Cuba has given to the brother African nation since 1975.

The JORNAL DE ANGOLA summarizes the sentiments of the Angolan people in an article entitled "We Pay Tribute to Our Cuban Brothers".

Envoy Comments on Libyan Aircraft Incident
MB0601154589 Johannesburg SAPA in English
1532 GMT 6 Jan 89

[Text] Harare Jan 6 SAPA—Condemnations against the United States shooting down of two Libyan planes continue to pour in with the latest one coming from Cuba.

Cuban ambassador to Zimbabwe, Alfonso Fraga, told newsmen today that he wondered what type of law allowed the President of the United States to give direction to such an attack, adding that it could only be "jungle law," ZIANA news agency reports.

He said the U.S.'s allegations that Libya was building a chemical weapons factory was designed at plotting an attack against Libya and urged the international community to oppose such designs.

On the U.S.'s proposal to reduce the number of troops supervising the implementation of Resolution 435 on Namibian independence, Mr Fraga said Cuba was completely opposed to the proposal.

"We are completely opposed to the attempt by the U.S. to manipulate these resolutions by saying it is expensive. We are completely opposed to any change to Resolution 435 on the independence of Namibia.

"We are adamant in insisting that it must be implemented in its full text as it was formed in 1978," he said.

Answering a question, Mr Fraga said Cuba would maintain its support of the African National Congress "fighting for a democratic multi-racial society" in South Africa.

He denounced the U.S. for its comparison of the ANC with UNITA.

"They are two completely different organizations. UNITA is a gang of bandits who are financed by the U.S. and South Africa.

"The U.S. is not ashamed to say publicly that they will continue supporting UNITA," he said.

Mr Fraga also rejected foreign press reports that Cuba provided chemical weapons to Angola.

On the withdrawal of Cuban troops from Angola, Mr Fraga made it clear that his country was not pressurised to agree to the timetable. He said next week on Tuesday only some of the 3,000 troops would leave Angola while the rest would gradually leave before April 1.

He admitted that the cost of maintaining the 50,000 Cuban troops in Angola had been expensive and "that is why in the first withdrawal, both Cuba and Angola have requested the creation of a fund which help finance the process."

Raul Castro Sees Off DPRK Delegation
FL0901175289 Havana Tele-Rebelde Network
in Spanish 1358 GMT 9 Jan 89

[Text] Army General Raul Castro, second secretary of the PCC Central Committee and minister of the FAR, last night bid farewell to Pak Song-chol, vice president of the DPRK and member of the Korean Workers Party Central Committee Political Bureau.

Pak Song-chol headed his country's delegation which attended the festivities marking the 30th anniversary of the triumph of the revolution.

New Stamp Commemorates Revolution Anniversary
FL0901171789 Havana Tele-Rebelde Network
in Spanish 1200 GMT 9 Jan 89

[Text] Commander in Chief Fidel Castro last night officially placed the special seal on the stamps commemorating the 30th anniversary of the triumphant entrance of the rebel army into Havana City.

The new postage stamp edition, which is composed of stamps valued at 5, 20, 30, and 50 centavos, will travel all the continents carrying the message of solidarity from the Cuban people. The four types of stamps have the same design in which the important date is highlighted.

During the event Fidel held a friendly chat with over 30 youths who were born on 1 January 1959.

Aguirre Meets Brazilian Presidential Candidate
FL0901190189 Havana Tele-Rebelde Network
in Spanish 1800 GMT 9 Jan 89

[Text] Severo Aguirre del Cristo, acting president of the National Assembly of the People's Government, has received Luis Inacio Lula da Silva, Brazilian presidential candidate of the Workers Party.

The Brazilian political leader is heading a delegation composed of (Jose Genuino Neto) and other members of the national directorate of the Workers' Party such as Raul Falcon, (Ricardo Cosh), and (Pablo Sandrone).

Lula da Silva had previously visited our country when he attended the continental meeting on the foreign debt.

During the fraternal dialogue with Severo Aguirre, the Brazilian leader and his entourage were informed about the functioning of the highest Cuban governmental organ.

AALAPSO Reaffirms Support for Panama
*PA0901145789 Havana International Service
in Spanish 0100 GMT 8 Jan 89*

[Text] The AALAPSO Executive Secretariat has reaffirmed its support for Panama's claim regarding the integrity of its territory. The statement is contained in a document issued on the occasion of the 25th anniversary of the 9 January 1964 incidents. On that date U.S. Marines murdered 22 Panamanians who tried to hoist their country's flag in the Panama Canal Zone. The above-mentioned organization condemned the U.S. destabilization campaign against the Panamanian Government, in which the United States is attempting to violate the Panama Canal Treaties and perpetuate its presence in the isthmus beyond the year 2000.

Central Army Begins New Instruction Year
*FL0901193789 Havana Tele-Rebelde Network
in Spanish 1800 GMT 9 Jan 89*

[Text] The Central Army begins a new instruction year with the goal of guaranteeing the war of all the people, the basis of our military doctrine.

The beginning of the Central Army's instruction year and preparation for defense in the province of Villa Clara took place in Santa Clara's Revolution Square.

During the ceremony, a large number of MTT [Territorial Troops Militia] members and reservists were promoted as an incentive for their relevant accomplishments in defense tasks. Medals were granted and honors rendered to approximately 700 comrades who, throughout all these years, have consistently done a good job in the defense of the fatherland.

Pilot Major (Alberto Rafael Lay Ribas), who downed an enemy plane, Mirage type, in the brother country of Angola, emphasized the importance of the instruction period which is beginning.

Division General Joaquin Quintas Solas, member of the Central Committee and chief of the Central Army, made the closing remarks. Quintas highlighted the results attained in the preparation for the defense of the people during 1988 in which all the provinces which form the central part of the country achieved the level ready for defense, first stage.

*** New Port Police To Patrol Docks, Warehouses**
*32480051B Havana BOHEMIA in Spanish No 47
18 Nov 88 p 32*

[Article by Reinaldo Penalver Moral]

[Text] In the next few weeks the country's ports will have a new entity that has been lacking for some time in the effort to combat criminal activities on docks and in warehouses: the Port Police (PP).

Assigned to the Transportation Police under the leadership of Colonel Luis Dominguez Huerta, the officers in the new police corps will be adequately equipped to prevent and control crime. They will also enjoy the valuable cooperation of the Vigilance and Protection Committees (CVP), the worker guard, and auxiliaries of the National Revolutionary Police (PNR).

In an exclusive interview with BOHEMIA, Col Dominguez reported that like the Railroad Police, the Port Police is made up of men who have been specially trained and will be adequately equipped "both to conduct their surveillance patrols and to neutralize illicit activities."

He stated that the service covers all the country's ports, and that to enhance its effectiveness it has been divided into regional zones.

The PP that will operate in the western zone will be in charge of the ports of Mariel, Nueva Gerona, Havana, Batabano, Matanzas, and Cardenas. The central zone will include Cienfuegos, Casilda, Isabela de Sagua, and Caibarien.

The center-west division will operate in Nuevitas, Jucaro, Manati, and Carupano, while the eastern zone will cover the ports of Santiago de Cuba, Manzanillo, Niquero, Boqueron, Antilla, Vita, Felton, Nicaro, and Tanamo.

In response to a question about the results obtained by the Railroad Police, with regard to the eradication of the antisocial elements who would rob train passengers of their belongings if they lowered their guard in the slightest, harass the train attendants, and disturb the peace by wandering about in a state of intoxication, Col Dominguez stated that he is satisfied: "That was a tragedy that belongs to the past," he said.

He announced that, based on the experience on the trains, the Port Police also intend to keep order on the ferries that cross from Batabano to Gerona and from Gerona to La Coloma.

Finally, he discussed the types of vessels the officers will have for their patrols, describing them as a valuable aid in ensuring the success of this new task.

*** Poor Selection, Quality in Tourist Goods**
*32480051a Havana BOHEMIA in Spanish No 46
11 Nov 88 pp 54-55*

[Commentary by Alberto Pozo]

[Text] Only one-fourth of the products sold at the international stores run by the National Institute of Tourism (INTUR) are Cuban. This fact should really pose a challenge for our business managers to find a quick solution, because these are not goods that require

complex technology; they are mostly traditional items. They do, however, require quality, and with an indispensable stamp—that great seller!—the word Cuba.

What I am going to comment on comes from conversations with Roberto Rodriguez, business manager of the store at the Hotel Marazul in Santa Maria del Mar, Playas del Este, Havana, and with the staff there. It also derives from reports by tourists on that and other occasions, and from prior experiences in visiting similar establishments.

I am convinced that the commercial aspect of culture, of which our music is an outstanding example, could become just as important a source of foreign exchange as tourism itself. With respect to music, at least, it is true that the material base must be modernized and expanded. Furthermore, it is necessary not only to monitor spontaneous tastes, but also to promote intelligently the entire range of our possibilities.

In general, there is an almost total lack of supply. Nevertheless, tourists spontaneously seek out the songs by Carlos Puebla dedicated to Che, Joseito Fernandez' La Guantanamera, Benny More's productions, the "sones," and dance music in general (the Van Van's are very popular). Spaniards have a preference for La Nueva Trova.

Now, there is an almost absolute ignorance of other Cuban performers who are highly talented. In addition, Amaury Perez, Arturo Sandoval, Frank Fernandez, and the music of Ernesto Lecuona, among others, are all absent. What conclusion can be drawn from this? We are bereft of a varied offering, and above all, of an international promotion that will publicize our current and past values.

Light Industry Productions

Our pullovers have a good market, but the store employees feel that they lack international quality, and there is a severe shortage of sizes. As for guayaberas, they do not exist in large sizes, although the lack of shirts with embroidery and drawn work, which are popular features in international clothing, is also significant. It is sad that tourists have to buy foreign brands such as Vanhausen because we are not capable of keeping up with fashions.

Cuban smocks for women go over very well, but there is a total lack of Cuban garments for children, despite the great potential demand. Here, once again, we have to endure the sale of foreign brands.

As for Cuban shoes, there is practically no supply. On a recent trip to Poland, however, I was very favorably impressed with the design of Amadeo shoes. Indeed, these are new models that are very modern and attractive, and I am not talking about anything special, just shoes that are on sale normally in Cuba (though we must admit that they are still in short supply).

As we all know, we manufacture the Vanesa line of women's bathing suits, a high-quality state brand. As a logical consequence of its high quality, it is much in demand among tourists. Men's bathing suits, on the other hand, are of inferior brands and are shunned. The moral: We can only hope to sell that which is of superior quality.

We all know that caps are in vogue, but in this case we have only a small supply that is low in quality. And to make matters worse, the caps are even displayed with unstitched seams. As for wallets, sales personnel believe that they are not purchased because the price is too high for their quality. Belts are almost non-existent.

Suchel perfumes and cosmetics continue to sell well and are attractively packaged.

Sample of Food Industry

In general, the products of our food industry compare well in inherent quality with their international competitors; but their weakness is in presentation...and these days appearances determine sales.

Packaging is not the only problem. Our beers, for example, from the regular brands to the special ones, are popular; but the supply is very poor. When there is Polar, there is no Hatuey or Cristal, and vice-versa. As for Havana Club rum, it sells in this order: aged, 5-year, and white label. Other rums, such as Matusalem, which is of great intrinsic quality, not only are packaged to poor advantage but also are in short supply. Of course, our experience with whiskey has not been sufficient yet to inspire a steady demand for it. The miniature bottles of our rums and the line of cremes are also well received.

Let's look at a typical case of a product that has been ostracized due to poor presentation: the chocolate bar. It has better intrinsic quality than its competitors, but its packaging is inferior. As for the caramel, it is of high quality and its price is low. Also in demand are Hola coffee and Giselle cookies, both state brands of superior quality.

Tips: From Crafts to Prices

Popular crafts include taxidermy, especially stuffed crocodiles. Lobsters and crabs pose a problem because of their fragility. Ceramics also sell well. In this category, there is great potential for selling souvenirs, never forgetting the word Cuba. Everyone who travels wants a memento that proves he was in some other part of the world.

Some tips: little spoons and plates with the Cuban flag engraved on them are in great demand and short supply. There is also a demand for tour guides who speak several languages, and there are none; the same is true of bilingual dictionaries. Hammocks (not available) and match boxes also fit in this category. Incredibly, at the

Marazul when I visited there, there were no postcards of the hotel or of other Cuban landscapes, despite the great demand for them. Finally, I suggest that someone take a look at prices. Some products appear excessively expensive, like wallets, while others are excessively cheap, like soft drinks, mineral waters, and liquors.

Today we have cited the example of the Hotel Marazul, as on previous occasions we have cited other international centers. Someone might respond that a swallow doesn't make it summer, but the descriptions of other swallows months and years ago do reveal a pattern: In general, some situations persist. And that is a disturbing sign.

This commentary is one more link in our argument that the tourism industry can develop evenly in at least four directions: 1) the attraction of vacationers, 2) the growing supply of our industrial goods and crafts that are appropriate for international stores, 3) the replacement of imports in investment and components, and 4) the conversion of these products into potential exports by enhancing quality.

Today we have tried merely to stimulate thought about our supply of goods in international stores.

Costa Rica

Editorial Criticizes Noriega's 'Disrespect'

PA0801135689 San Jose LA NACION in Spanish
29 Dec 88 p 14-A

[Editorial: "Noriega's Meddling"]

[Text] General Manuel Antonio Noriega's audacity and disrespect for Costa Ricans and our government's passivity toward his actions run hand in hand.

With actions and words implementing a strategy, Noriega's guards have on several occasions profaned Costa Rican territory. Our southern border is, like the northern border, a no-man's-land, whether patrolled or not.

It would seem that a plan exists to destabilize the southern part of the country. Proof of this, in addition to the meddling of the Panamanian military and even goons, are Noriega's long-winded speeches and those of his countrymen about the economic conditions of the southern towns, which he incites or tries to win over with dialogue and offerings. His temerity has reached the point of announcing that the voters of those Costa Rican towns will not vote in the coming elections because of their state of neglect and humiliation. There has been no shortage of leaders in those towns who applaud Noriega's remarks.

This week Gen Noriega, a few meters from Costa Rican territory, surrounded by his favorites, bodyguards, and troops, and residents of Costa Rican towns, once again said there are Costa Ricans interested in provoking war and rousing enmity between Costa Rica and Panama.

This language is not original. One cannot expect originality from Gen Noriega but only repetition of the historic tyrants who have darkened and neglected Latin America. The only difference between him and his predecessors is in the size of their patrimonial conquests.

It is the same language as that of Daniel Ortega and even some Costa Rican leaders, for whom anyone who denounces a communist or leftist despot is a warmonger or traitor. This way, the prostitution of the language and the most noble concepts of man again serve to disguise a tyranny and even justify its great excesses.

All despots know that the best way to deceive one's democratic adversaries is to insinuate terror or war or, more simply, to label one's opponents warmongers. This way they calm the politicians and feel justified in continuing their destructive task.

This could possibly be a new twist in Noriega's strategy. This way, we will witness an Ortega-style peace and a Noriega-style peace in Central America. Their conceptual and soothing lines are identical, although their rhythm may differ. Ortega no longer has to label anyone a warmonger. Some Central American leaders do this for him, and his power is vast and indisputable. Nicaragua

enjoys peace on a platform of misery and oppression. Noriega has to advance slowly to definitely consolidate his political power, certain of his economic opulence.

Noriega's objective is the May 1989 elections in Panama. To prepare the way, he must first discredit his critics abroad. Those at home he expels or silences. Because of Costa Rica's prestige in the democratic world, his work consists of accusing the few in Costa Rica who have consistently denounced his misconduct and wickedness. To do this, no "argument" is handier than to label us warmongers. It served Ortega in good stead with the help of known national leaders. There is no reason at all, Noriega will say, why it should not work for him.

El Salvador

Bishop Deplores Possible Summit Postponement

PA0901145389 Hamburg DPA in Spanish 1854 GMT
8 Jan 89

[Excerpts] San Salvador, 8 Jan (DPA)—Gregorio Rosa Chavez, auxiliary bishop of San Salvador, today deplored the postponement of the Central American summit slated for 15-16 January in San Salvador.

Rosa Chavez commented that "if this postponement is only temporary, it does not matter, but the summit should not be forgotten, because it is necessary to reactivate Esquipulas II and the mechanisms to achieve a just and lasting peace, as provided for in the agreement."

The bishop added that one of the reasons alleged for this postponement is that President George Bush has not taken office in the United States and that after he does take office, decisions can be made based on U.S. foreign policy. This only confirms the geopolitical influence of our regional situation, which makes the solution to our problems more difficult, said Rosa Chavez.

In El Salvador, it is necessary to end the war, "because otherwise the war will put an end to us," said the bishop in a vigorous tone.

The church is worried about the return of indiscriminate violence in the framework of the war, generating a climate of insecurity and fear that is used to commit all manner of crimes. [passage omitted]

Judging from the events of the first few days of 1989, Rosa Chavez said, "The panorama in El Salvador is somber. The drama of the mayors, threatened into resigning their posts by the guerrillas, has continued, and another difficult situation has arisen: Several justices of the peace have already resigned because of the same threats."

The bishop disapproved of this action by the guerrillas, saying that leaving a municipality without a mayor is like leaving a parish without a priest. He added that the country is again being engulfed in violence, which creates a situation of terror, and terror paralyzes.

* **Ungo on Elections, Counterinsurgency Efforts**
32480042b Mexico City LA UNIDAD in Spanish
20 Nov 88 p 17

[Article by Gerardo Unzueta L.]

[Text] Dr Guillermo Ungo, Democratic Convergence (CD) candidate for the presidency of El Salvador in the elections scheduled for March 1989, spoke to our newspaper on 23 October:

"The situation in El Salvador is complex and difficult, with a number of contradictory factors developing, each trying to prevail. But there is a minimum national consensus on certain matters:

- 1) A national political, economic and social crisis is growing.
- 2) There is an increasingly serious situation for most people, a critical situation of extreme poverty.
- 3) The American Government is intensifying its intervention and meddling in political, military and economic matters.
- 4) There is a crisis of governability.

"The Christian Democratic Government is incapable of offering any national project, any possibility of stabilization of economic and social recovery, any leadership ability, which is increasingly evident with Duarte's illness, although the political deterioration was already obvious even before it became acute. Subordination to the government of the United States and the high military command and the work of sabotaging the meeting of Central American presidents are its current characteristics."

Total Crisis

Based on these elements, Ungo concludes his views on the Salvadoran situation: "All of this paints a picture of crisis in leadership, structural crisis and a circumstantial crisis in El Salvador."

When questioned about the prospects facing his country and his people, the Democratic Convergence candidate said:

"The prospect is that positive factors will prevail over negative factors. El Salvador is experiencing several dynamics: first of all, a dynamic of war on both sides, with the Reagan Administration bent on sustaining and building up the military forces and the FMLN [Farabundo Marti National Liberation Front] taking it upon itself to defeat these tactics and strategy by intensifying its military action and broadening its theaters of war, thus being gradually drawn into the urban areas of the capital."

Ungo said that "along with this war dynamic, there is a dynamic of peace that is gaining increasing internal and international support and in turn receiving greater support from the people, who are participating more and more." The most recent evidence of this is the conclusions and results of the national debate promoted by the Catholic Church, as well as participation in it by 62 people's organizations of different political and ideological affiliations that have come out for a solution of peace, a national political solution. The movement shaping up around these conclusions and results isolates the war-making sectors, which are no more than oligarchic sectors. "That national debate led to a polarization not so much between the right and the left as between rich and poor."

Negotiated Solution

The candidate for the Democratic Convergence, which is part of the first split from the Christian Democratic Party and which, along with its movement, has become integrated into the Revolutionary Democratic Front (FDR), stressed that the poor, whether part of the right, the center, the moderate left or radical left, "all starting from different positions, have reached fundamental agreement: the need to find a political solution and establish negotiations between the warring factions, meaning between the government and the armed forces of the FMLN and the FDR.

Along with these two dynamics, Ungo said, "we find an escalating dynamic of repression that is trying to coexist between two aspects: the low-intensity war with low-intensity repression and growing signs of total war with total repression. The latter try to prevail over the previous scenario, believing it to be failing."

"Finally," he said, concluding his explanation of the situation in El Salvador, "an election dynamic is opening up in which we are beginning to participate."

"In other words, I would say that it is a rather surrealistic picture of war, dialogue, negotiation, political spaces, elections, repression, and so on."

Usefulness of Elections

Concerning the correctness of the decision to participate in the elections in such a confused and contradictory situation and the usefulness of that participation, Ungo said that positive factors are gradually prevailing over negative and that the instruments of the regime's counterinsurgent proposal have a boomerang effect, or at least are double-edged: one counterinsurgent and the other counter-counterinsurgent. "This is valid for the electoral aspect," he said, "in which elections have in the past served to build the counterinsurgent institutionality in order to form the democratic face of the military solution." But as early as March, the elections revealed their contrary effect: They comprised a great defeat of the main bastion of the Reagan

Administration in El Salvador, the Christian Democratic Party. It was a move forward of the right, but it also expressed the strength of the left through the blank vote and growing abstentionism.

"We want to turn the elections into an instrument against counterinsurgency, help dismantle that American strategy and generate conditions for a political solution. Our participation does not concentrate on election day, but rather, on the entire process, which will enable us to continue with our line of reintegration into the country, which means having a presence, participation, impact and the ability to bring influence to bear."

This would provide a greater capacity for the organizational development of the forces of the Salvadoran left, greater dissemination of its message, orientation, political education and greater development of the strength of dialogue and negotiation, until a national consensus is reached. Ungo continued:

"I believe this is coming to pass. We are now contemplating a fact: The Democratic Convergence is already a political expression established on the national level. It is a political force. At the present time, we are viewed as having the capacity to be the third force in the country and some give us an even better chance as the political process develops."

Limits and Possibilities

In Ungo's opinion, the elections in El Salvador "are not to gain power," for they are not democratic or free and they take place under conditions of fear. "Even though our presence is tolerated, we are accused of being subversive. We have to be clear that elections have not been the source of political power in El Salvador. The Duarte who won the elections in 1984 is weaker than the man who was head of a government junta and was never the main power. He was always subject to the real powers of Washington and the Army. These are the great, definitive limits of elections, but they also have possibilities. Election metering makes it possible to show that we are a political force without which no solution would be possible. It will naturally enable us to develop the possibility of a political solution with a government of broad participation."

Ungo then went on to explain why and for what purpose one participates in elections. On this, he said, there is important agreement between all political and social organizations of the left. "There are certainly 'explainable, respectable differences.' The decision by Democratic Convergence to participate is respected by leftist forces, by social organizations, especially because of the reasons for such participation. Their differences spring from the character and political time in which each of the forces is found.

"There are no dogmas or maximalist or absolutist positions on our part or on that of other organizations such as the FMLN or the Nationalist Democratic Union. I believe that the different nature of the FMLN, which is not only a political organization, but military as well, clearly establishes distinct, although not necessarily contradictory, positions.

"The election result will signify the strengthening of the banners that the Democratic Convergence maintains for the negotiated political solution and the growing isolation of the pro-war and rightist positions. Not all the instruments that the people use are contradictory. Political instruments do not contradict military instruments as long as both serve a political solution."

People's Alternative

Ungo concluded the interview by summing up the demands of the Democratic Convergence during the election campaign:

"We are drafting a programmatic platform, not a government program, in order to build a people's alternative around it, an alternative for today, tomorrow, election day and after the elections. The platform rests on two main principles. The first, without which the rest will not function, is a peace proposal in which we offer a path, not with any precise formula, but rather, certain fundamental ingredients to be debated and integrated so as to move toward a national consensus. We have made progress, especially with the national debate. Without that, no development or national project whatsoever will be possible. There will be no stability or economic recovery.

"Along with this-the second major principle-we propose three major issues: the recovery of national sovereignty from American occupation, real democratization and an economy that serves the people. Once peace has been achieved, we would propose an international policy of nonalignment and a change in the repressive structure of power, replacing it with one of participation. In the economic area, it is not possible to have a socialist path or one of major reforms, but rather, one of stability and economic recovery, internal development with a flexible export policy in order to gradually overcome unemployment, underemployment and extreme poverty."

Venceremos Reports Recent FMLN Actions

PA0901150189 [Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 8 January reports approximately 6 minutes of recent FMLN actions.

According to the station, "the latest guerrilla operations throughout the country have resulted in 30 enemy casualties." Among these recent actions, the station first reports that rebels from the Anastacio Aquino Paracentral Front used "two powerful Manuel Jose Arce mines"

to ambush a military vehicle transporting troops on the Pan-American Highway near Rio Frio, inflicting 19 casualties on the Army. The station adds that the military vehicle was completely destroyed.

Venceremos also reports that on 4 January the FMLN ambushed another military truck, this time transporting National Guard troops on the Quezaltepeque - Nejapa highway, near the border between San Salvador and La Libertad Departments. According to the station, the rebels used "a powerful Guazapa mine" in the attack and inflicted seven casualties on the National Guard.

The station further reports one more Army casualty when FMLN units attacked Army troops with rifle fire and grenades at Dulce Nombre de Maria, Chalatenango Department, at 1900 on 5 January. It adds that the rebels sabotaged the city's electrical system that same day. Venceremos finally reports that the FMLN inflicted a total three casualties on Atlacatl Battalion in several clashes around northern Chalatenango Department.

4 Jan Actions

PA0701142189 (Clandestine) Radio Venceremos
in Spanish to El Salvador 0000 GMT 5 Jan 89

[Text] As we have already said, 1989 is the year [words indistinct]. We inflicted 16 casualties in three ambushes that took place today, 4 January. Our men have also inflicted five additional casualties in other types of actions, and this comes to a total of 21 casualties on 4 January 1989. The year 1989 is the year of victory. During today's fighting and in addition to the casualties we inflicted, the following war materiel was captured: 5 M-16 rifles, which will be used by the insurrection movement that will soon reach San Salvador and many other places; 1 M-79 grenade launcher; 1 LAW M-72, a U.S. throw-away type rocket launcher; 14 grenades; 500 5.56-mm cartridges; 10 uniforms; 3 pairs of new boots; 1 PRC-77 radio battery; 1 compass that did not [word indistinct] the 1st brigade patrol; 1 topographic chart; and other war materiel. This is what we accomplished on 4 January 1989, the decisive year.

6 Jan Clashes With Army

PA0801135489 [Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 7 January carries three reports, lasting 2 minutes, on FMLN actions, in which the guerrillas claim to have inflicted a total of 11 casualties on the Salvadoran Army.

In the first report, the station says: "At 0915 on 6 January, FMLN guerrilla units ambushed a reconnaissance patrol of JR Battalion, 2d Military Detachment, in El Penon hamlet, Villa Victoria, Cabanas Department, inflicting two casualties on the Duarte troops."

In the second report, the station claims that "at 0745 on 6 January, FMLN guerrilla units used two Anastasio Aquino mines to ambush a vehicle carrying National

Guard troops, at San Luis ranch, on the coastal highway, Tecoluca, San Vicente Department, inflicting eight casualties on the enemy, including dead and wounded."

The third report carried by the clandestine station says: "At 1000 on 6 January, FMLN guerrilla units attacked Atonal Battalion reconnaissance units in a place known as La Pata de la Gallina, Tapesquillo Alto Canton, Jucuapa Jurisdiction, Usulután Department. In this action, three casualties were inflicted on the enemy: two dead and one wounded. The cowardly enemy troops asked for air cover, and a UH1H helicopter and a rocket-carrying helicopter came to their rescue. After being subjected to revolutionary anti-aircraft fire, the helicopters left the scene of the armed clash."

FMLN Claims Bombing of Officers' Houses

PA1001035489 San Salvador Canal Doce Television
in Spanish 0303 GMT 10 Jan 89

[Text] Three powerful bombs exploded tonight at the homes of two Army officers in Mariona City. The houses were slightly damaged.

Two homes owned by Army officers were attacked today at 1830 on (?Suchipan) Street in Jardines de la Libertad neighborhood, in Mariona City. Two bombs were set off at the front gate of Captain Iglesias' residence, destroying the garage and a car parked in the garage. No one was injured.

Another bomb was hurled onto the roof of Captain Mojica's residence. The FMLN urban commands claimed these attacks in a phone call to the media. They also announced that the houses of all officers have become military targets as of today.

* Results of Church Poll on Outlook for Peace

32480043 San Salvador ECA in Spanish
Aug-Sep 88 pp 829-846

[Excerpts]

1. Poll and Population Polled

When the archbishop of San Salvador, Msgr Arturo Rivera y Damas, on behalf of the Catholic Church called for a national debate on peace in El Salvador, he was expressing the desire not only to invite as many of the country's social organizations as possible but also to consult the opinion of the population in general. For this reason, the University Institute of Public Opinion (IUDOP) of Jose Simeon Canas Central American University (UCA), with the approval of the debate organizing committee, decided to conduct a nationwide poll to ask a representative sample of the Salvadoran people the questions in the questionnaire that the archbishop drafted.

The questionnaire was compiled technically on the basis of the items in the national debate questionnaire, the bank of IUDOP questions and a series of consultations

with experts, analysts and various other people about what questions could be of interest. A provisional questionnaire was subjected to pretesting in order to check on the intelligibility of the questions, detect potentially ambiguous terms and assess the need to remove or add questions. The final version of the questionnaire consisted of eight demographic questions and 40 opinion questions, 25 of them open ended (without suggested responses); their purpose was to obtain as much information as possible about what Salvadorans think of the country's current situation, with an emphasis on the war issue and on solutions to national problems.

The sample was designed for the 14 departments into which El Salvador is divided, and both urban areas (departmental capitals) and rural areas were included and selected at random in each department. The urban sample was broken down into five social strata, leaving the rural sector as an independent category. The sex and age of the individuals were also taken into account.

The poll was conducted between 21 July and 11 August 1988 by a team of 26 pollsters and 4 field supervisors. The pollsters asked the questions at the homes in the indicated areas, explaining the objectives and topic of the research. Only individuals who chose to cooperate were interviewed. The rejection percentage was 19.1, which is higher than normal for IUDOP respondents. The justifications that individuals gave for refusing to answer varied in accordance with their social sector. Whereas people in the upper class argued "the leftist bent" of the issue, which is not surprising considering the strong campaign waged against the debate, the members of the middle class said that they were busy, and the poorest people expressed ignorance or said they were afraid of voicing their political views.

The ultimate sample consisted of 1,266 valid questionnaires, with an estimated margin of error of plus or minus 0.05 (5 percent). Table 1 shows the breakdown of the ultimate sample by department and social stratum.

Table 1. Surveyed Population by Department and Social Sector

Social Sector	Department														Total	
	Ahua	Sana	Sons	Chal	Lali	SSal	Cusc	LPaz	Caba	SVic	Usul	SMig	Mora	Luni	Number	Percent
Upper and upper-middle	7	9	8	6	7	18	4	6	4	4	8	6	3	6	96	7.6
Middle	9	17	15	9	18	32	15	10	7	7	17	19	11	12	198	15.6
Lower-middle	15	22	18	14	24	48	5	14	11	12	23	23	12	18	259	20.5
Working class	16	22	18	12	17	46	11	14	9	11	22	23	12	17	250	19.7
Disadvantaged	8	13	10	7	13	29	7	9	6	7	14	13	8	9	153	12.1
Rural	15	33	20	15	28	57	14	17	11	13	26	31	12	18	310	24.5
Total number	70	116	89	63	107	230	56	70	48	54	110	115	58	80	1,266	—
Total percent	5.5	9.2	7.0	5.0	8.5	18.2	4.4	5.5	3.8	4.3	8.7	9.1	4.6	6.3	—	100

Of the total number of respondents, 45.7 percent are male and 54.3 percent are female. The average age is 37.6, with a typical deviation of 14.6; 73.5 percent of the respondents say they are Catholic, 10 percent evangelical Protestant, 3.6 percent other religions, and 12.9 percent say they profess no religion whatsoever. On the average the respondents have 7.6 years of schooling, which is a bit more than primary school (typical deviation=5.6 years), and 53.6 percent indicate that they are not gainfully employed at present.

The average personal income of the entire population surveyed is 486.8 colones a month (typical deviation=910.9 colones), and 1,043.7 colones a month in the case of only the individuals who say they are currently employed. As we can see in Table 2, income is related to both social stratum and schooling: the higher

the socioeconomic stratum and the more schooling, the higher income tends to be, and significantly so. [passage omitted]

Table 8 shows the responses to the question "In your opinion, what sector most violates human rights in our country at present?" As we can see, the respondents blamed both "the guerrillas" or "the boys" and "the authorities" and "the people who are in government and order so many slaughters." When we compare these findings with the ones in Table 7, it is noteworthy that a significantly larger proportion of the people among the poorest segments of the population, who are hardest hit by violations of their rights, say they do not know who is to blame for this situation, and they have a relatively better assessment of respect for human rights than the people in the middle- or upper-income sectors.

Table 8. Sector That Most Violates Human Rights in El Salvador, According to Social Stratum (%)

Sector that most violates human rights	Social Stratum						Total	
	Upper/upper-middle	Middle	Lower-middle	Working-class	Disadvantaged	Rural	Number	Percent
FMLN/guerrilla	30.9	20.7	19.0	22.2	23.0	23.9	276	22.5

Table 8. Sector That Most Violates Human Rights in El Salvador, According to Social Stratum (%)

Sector that most violates human rights	Social Stratum					Total	
	Upper/ upper- middle	Middle	Lower- middle	Working- class	Disadvantaged	Rural	Number Percent
Armed forces/government and FMLN	21.3	26.4	23.8	15.6	13.2	9.8	217 17.7
Armed forces	12.8	10.9	12.1	13.2	9.9	7.7	133 10.8
All	9.6	11.9	9.3	6.2	6.6	9.4	108 8.8
Right/capital	4.3	6.2	8.5	9.5	4.6	5.7	84 6.8
Government/politicians	5.3	4.7	3.6	2.5	4.6	2.0	42 3.4
Other sectors	5.3	6.7	2.0	4.5	2.6	3.0	47 3.8
Declines to talk	5.3	2.1	2.0	5.8	7.2	3.0	48 3.9
Don't know	5.3	10.4	19.8	20.6	28.3	35.4	272 22.2

A favorable trend can also be seen in the answers to the question about freedom of expression, as 51.1 percent feel that the situation has improved in this regard, inasmuch as "now people can say a little bit more what they think," as against 19.2 percent who feel that it has gotten worse. The ratio, therefore, is 2.7 to 1; in other words, for each Salvadoran who thinks that it has gotten worse, there are almost three who think it has gotten better.

As far as grassroots involvement is concerned, the bottom line is positive as well: 36.5 percent feel that it has improved, compared to 19.6 percent who think that it has worsened, this being close to a 2 to 1 ratio. As was to be expected, something similar can be seen with regard to the country's "political opening": 34.9 percent feel that now "there is greater ideological pluralism than before" compared to 16.4 percent who think the opposite. It bears emphasizing that here we can clearly see

that the highest-income sectors are the most positive and the lowest the most negative. This highlights who the main direct beneficiaries of the Salvadoran social system are at present.

Causes of the Current Situation

Table 12 presents the responses to the question: "In your opinion, what caused the war in our country?" As we can see, opinions are strikingly diverse, although the first three point to the same cause, but with different nuances: injustice, poverty, exploitation and inequality. If these responses were combined, we would have 41.2 percent of the population pointing to the country's socioeconomic situation as the cause of the war, in other words, the causes would be internal and structural, not short-term and external. The differences of opinion among the social strata point to differences of experience and, above all, to their different understanding of the social problem.

Table 12. Cause of the War, According to Social Stratum (%)

Cause of war	Social Stratum					Total	
	Upper- middle/ upper	Middle	Lower- middle	Working class	Disadvantaged	Rural	Number Total
Social injustice	28.0	28.8	30.1	17.8	18.4	16.9	232 18.6
Economic crisis	10.8	15.3	13.4	15.7	11.7	18.3	148 11.9
Worker exploitation	14.0	13.6	16.7	11.2	13.6	11.3	133 10.7
Ambition/struggle for power	11.8	11.9	11.1	13.7	10.7	13.6	123 9.9
System of government	10.8	6.2	9.7	8.6	9.7	3.3	76 6.1
Communism and Marxism	6.5	4.5	2.8	7.1	11.7	10.3	68 5.4
Divine will	1.1	1.7	2.3	4.6	7.8	7.5	42 3.4
To improve people's situation	2.2	2.3	4.6	4.1	2.9	3.8	35 2.8
Loss of moral values	2.2	2.8	0.9	6.1	1.9	3.3	30 2.4
Other responses	12.9	11.9	7.9	10.7	10.7	8.9	101 8.1
Can't say anything	0.0	1.1	0.5	0.5	1.0	2.8	11 0.9
Don't know	—	—	—	—	—	—	249 20.0

The two most frequent answers to the question "Why isn't the war over yet" are illustrative but point to the two opponents as jointly to blame for the continuation of the war: "The fellows who are fighting are interested only in gaining power; they don't think about us" (21

percent), and "even when they sit down and talk, no matter what they do they don't get anywhere; they're just fooling people" (16.3 percent). We could well say that these responses (combined with several others) highlight the feeling of powerlessness among the Salvadoran people, who desperately long for peace but see that the combatants are still failing to heed their appeals and meet their needs (see Table 13). [passage omitted]

Table 13. Why the War Doesn't End, According to Social Stratum

Why the war doesn't end	Social Stratum						Total	
	Upper/ upper- middle	Middle	Lower- middle	Working- class	Disadvantaged	Rural	Number	Percent
Ambitions of power	20.2	25.4	22.9	25.2	18.4	26.3	264	21.0
Lack of government/FMLN accords	11.7	14.1	19.9	22.1	19.2	19.5	205	16.3
Continuing problems	17.0	16.2	13.9	12.2	11.2	9.6	143	11.4
Foreign intervention	12.8	10.3	6.9	10.4	8.0	4.8	92	7.3
It's a business	10.6	11.4	10.8	6.8	4.8	4.0	87	6.9
Divine will	2.1	3.2	6.1	5.9	8.8	13.5	80	6.4
Government unable	12.8	7.0	4.8	5.4	8.8	5.2	72	5.7
FMLN wants war	2.1	4.3	5.2	5.4	12.8	8.0	70	5.6
Other responses	10.6	8.1	9.5	6.8	8.0	9.2	95	7.6
Don't know	—	—	—	—	—	—	148	11.8

Table 15 shows the answers to the question: "In your opinion, what country is intervening in El Salvador's internal affairs?" As we can see, 6 of every 10 Salvadorans interviewed (61.7 percent) feel that the United States is the country that "has the most to do with our affairs,"

and only 1 in 10 feels that Nicaragua meddles the most in El Salvador (8.5 percent). Next come different combinations involving the United States, Nicaragua, the Soviet Union and Cuba.

Table 15. Country Intervening in El Salvador's Internal Affairs, According to Social Stratum (%)

Country intervening in internal affairs	Social Stratum						Total	
	Upper/ upper- middle	Middle	Lower- middle	Working- class	Disadvantaged	Rural	Number	Percent
United States	53.3	52.0	64.0	63.5	64.6	68.3	604	61.7
U.S. and USSR	13.3	12.4	12.1	6.0	4.0	4.5	85	8.7
Nicaragua	10.0	7.9	4.7	8.5	15.2	9.0	83	8.5
Nicaragua, Cuba	5.6	5.6	8.4	8.5	4.0	4.0	62	6.3
U.S., Nicaragua	8.9	7.3	5.1	5.5	2.0	5.5	56	5.7
U.S., Cuba, Nicaragua	5.6	9.0	1.4	3.5	4.0	2.5	40	4.1
U.S., Cuba	1.1	0.6	1.4	1.0	2.0	1.0	11	1.1
USSR	1.1	0.6	0.5	0.5	0.0	3.0	10	1.0
Cuba	0.0	1.1	0.9	1.5	1.0	0.5	9	0.9
Others	1.1	3.4	1.4	1.5	3.0	1.5	19	1.9

[Passage omitted] A more specific question was asked: "What do you think would be the best way to end the war?" As we can see in Table 21, the percentage of Salvadorans (42.5) who support "dialogue and negotiation" is considerably higher than the percentage who offered this answer to the country's general problems, so much so that it was the only response backed by a

relative majority of the Salvadoran population. It is important to note that this percentage represents a majority and is quite similar across all strata of the population; this is a very significant area of agreement and strongly contradicts what certain groups and some mass media would have us believe.

Table 21. Best Way to End the War, According to Social Stratum (%)

Best way to end war	Social Stratum						Total	
	Upper/ upper- middle	Middle	Lower- middle	Working- class	Disadvantaged	Rural	Number	Percent
Dialogue and negotiation	41.3	51.1	52.3	49.1	32.4	47.8	536	42.5
Divine solution	8.7	3.4	11.0	9.3	14.7	12.6	115	9.1
Do away with guerrillas	4.3	8.5	3.8	5.8	7.4	5.2	65	5.2
All of us unite	7.6	3.4	3.8	4.9	6.6	8.1	64	5.1

Table 21. Best Way to End the War, According to Social Stratum (%)

Best way to end war	Social Stratum						Total	
	Upper/ upper- middle	Middle	Lower- middle	Working- class	Disadvantaged	Rural	Number	Percent
Cease-fire	3.3	2.8	3.8	5.3	4.4	6.3	52	4.1
Structural change	6.5	2.3	3.8	3.5	5.1	2.6	41	3.2
Change government	7.6	2.8	2.5	1.8	5.9	2.6	37	2.9
Military solution	2.2	2.3	1.7	1.3	4.4	1.5	23	1.8
Bear people in mind	4.3	4.5	0.8	2.2	1.5	0.4	22	1.7
Seek peace	0.0	0.6	3.0	1.8	2.2	2.2	21	1.7
No foreign intervention	2.2	4.0	1.7	0.9	0.7	1.1	19	1.5
Consciousness-raising	2.2	0.6	1.7	2.7	1.5	1.1	18	1.4
Left involved in govern- ment	1.1	0.0	1.3	0.9	0.0	0.7	8	0.6
Other responses	6.5	9.1	5.9	6.2	8.8	2.6	69	1.5
Has no end	2.2	4.5	3.0	4.4	4.4	5.2	47	3.7
Don't know	—	—	—	—	—	—	125	9.9

[Passage omitted] When people were asked, "What is your opinion of the church's role in the dialogues conducted so far?" the responses reflect a positive attitude, inasmuch as 7 of 10 Salvadorans (68.7 percent) feel that the role the church is playing "is fine" and that "it is interested in peace," while just 1 in 4 (24.3 percent) indicate that the "church should not get involved in politics," that "this is bad," among other things because "it helps the left."

6. Expectations of Ending the War

In conclusion, Table 26 presents the responses to the question "Do you think the war in our country will end this year or next?" The replies are not at all encouraging and reflect the Salvadoran people's expectations about this problem. Of those giving a clear-cut answer, 43.9 percent indicate with great assurance that "the war is not going to end," that "this is only the beginning," compared to 7.1 percent who are confident that the conflict is going to end in 1989. In other words, for every person

expressing optimism, there are seven who feel that "if we're going to wait until this feud is over, we better not hold our breath." The rest are uncertain, often hoping for "divine intervention."

When people were asked to justify their opinion of whether peace will be achieved in El Salvador in 1989, it was found that those who feel that the war will not end next year claim that "the situation is going from bad to worse," that "all of the problems are intensifying, and no one is interested in resolving them," because "the people who have the power to put an end to the war are looking after only their own interests" and therefore more time will be needed "to create an awareness of the urgent need to end the war." Or else they merely say that "this is something worldwide; it's impossible to end." For their part, those who are confident that the war will end argue that the various sectors involved (the FMLN and the government, mainly) could reach accords beneficial to all or else appeal to "divine will, asking the Lord to put an end right now to the bloodshed," because "as brothers we can't keep on killing each other" (see Table 27).

Table 27. Reasons To Expect or Not Expect a Prompt End to the War (%)*

Expectation	Reason	Number	Percent
Yes		89	7.1
	Accord could be reached		36.4
No	Has faith and asks God		14.8
		552	43.9
	The situation is worse and more complicated all the time		33.1
	Everyone looking out for own interest; all want power		22.8
	Dragging on; more time needed		11.2
	War will never end; is something worldwide		8.0
Doubts	Only God knows	415	33.0
	Only God knows and has power; it is already written		81.9
	The situation is increasingly worse and more complicated		6.0

*The percentages for the reasons correspond to each specific answer, not to total responses.

16 Nov 88 p 18

[Text] Tenancingo, Cuscatlan, 14 November—For 3 years, from 1983 to 1986, this locality was literally a ghost town. Abandoned by its inhabitants at the end of 1983, after bloody battles between the Army and the guerrillas, it was not until 22 months later that the first 46 families decided to return, with the aid of the Catholic Church and nongovernmental social service agencies.

This was how Tenancingo, 30 km north of San Salvador, known in the country and in Central America for its large palm hat production, resumed the difficult path of reconstruction amid the war, becoming one of the pioneer projects in El Salvador's repopulation.

As a first impression, the unpaved road connecting the village with the Pan American Highway is currently passable along its 18 km.

Two buses and several pickup trucks arrive in the village daily, carrying passengers and freight to the capital and to the town of Cojutepeque, the departmental capital of Cuscatlan.

Several kilometers before arriving in Tenancingo, one can observe the first signs of life. At one peasant house, several women are preparing hundreds of palm leaves, the raw material for making hats and brooms. Although the national press does not visit the area very regularly, the women explain with blunt simplicity the difficulty of the work that nets them about 3 colones per day, consisting of "using a knife to cut off the threads" of palm leaves that have been previously dried in the sun.

We also pass by a canton school which, at one time, had been used as a guerrilla outpost, but which has now been rebuilt and painted by the local residents themselves, and is being used to hold primary school classes. In another canton, several girls spend their afternoons learning to sew at a fitting and ready-made garment shop.

As we approach the center of the village, we begin to notice the physical ravages from the conflict. There are remains of houses and economic infrastructure destroyed by bombs. Like mute witnesses, the walls watch us go by.

It is mid-afternoon and some people are reclining on the porches of the large cool houses. Several children are playing in a carefree manner, and dogs bark ferociously when we cross the main street.

Many of the houses are built up again. Blue, pink, green, or yellow, the walls seem to reflect the return to life. During our brief stay, we chatted with several Tenancingo residents and, from their testimony, we could perceive that neither the return nor the battle for reactivation was easy.

Carlos Alberto Martinez, an expert craftsman and member of the local cooperative, claims: "I never forgot Tenancingo. It was hard to have to leave in 1983. A bomb destroyed my house, but now, after having been back for 2 years, I am at peace because they have respected us so far."

With backing from the Salvadoran Development and Minimal Housing Foundation (FUNDASAL), a private non-profit institution that has operated in the country for the past 20 years, many of those repopulating Tenancingo have managed to rebuild or buy their houses. They have also received credit for projects, mainly in the arts and crafts and agricultural areas.

To date, that institution has invested over 2 million colones in the area. One of those benefiting from these programs is the mini-business woman, Rosa Ebelia Melendez, who owns a crafts shop employing several workers. Bags, hats, and rugs leave the establishment with different sales destinations.

Danilo Cabrera, general manager of FUNDASAL-Tenancingo, said that, in the view of his institution, the development must be total, and guarantee the villagers' involvement in self-management. The priority during the past 2 years has been agricultural reactivation, as proven by the amounts of the loans granted by the nongovernmental agency. Including the 1988-89 agricultural cycle, FUNDASAL has provided loans amounting to nearly a million colones.

However, the basic requirement to enable those repopulating Tenancingo to remake their lives and reactivate the area productively is the implementation of the current status on the part of the warring forces. As the residents remark, the presence of Army and guerrilla troops in the district is constant. Neither of the two forces maintains fixed positions inside the town; this prevents attacks and counterattacks by both sides.

Honduras

Azcona, Lopez Leave for Washington 9 Jan
PA0901133189 Tegucigalpa Cadena Audio Video
in Spanish 1200 GMT 9 Jan 89

[Text] President Jose Azcona is leaving for Washington today at 0800. The Honduran president will meet tomorrow with U.S. President Ronald Reagan and President-elect George Bush.

Azcona announced himself that during his visit to the White House he will demand more economic and military aid and will ask the United States to resolve the problem of the contras' presence in Honduran territory.

Here is an expanded report by reporter Danilo Antunez:

[Begin recording] [Antunez] Azcona is traveling in the company of Foreign Minister Carlos Lopez Contreras, Government and Justice Minister Enrique Ortiz Colindres, and Armed Forces Commander in Chief General Humberto Regalado Hernandez.

This will be Azcona's third official visit to the U.S. capital and the last time he will meet with Reagan, who is ending an 8-year mandate on 20 January.

The meeting between Azcona and Reagan will be predominantly a courtesy meeting. The importance of the trip to Washington is centered on the meeting the Honduran president will hold with U.S. President-elect George Bush, who will take over the helm of the world's most powerful nation within 11 days to rule it for 4 years.

However, what topics will President Azcona discuss during his meetings with Reagan and Bush? He answered the question himself as follows:

[Azcona] We have to talk about topics of interest to Honduras, everything regarding the Central American matter, economic aspects, and some military matters because of the (?communist aggression), because of [word indistinct].

[Antunez] Any specific matters, Mr President?

[Azcona] We are not taking a closed agenda or an agenda for discussion [word indistinct]. To do so, we would have drawn up an agenda and reached agreement on it. However, we will talk about everything that is of interest to Honduras.

[Antunez] President Azcona confirmed that one of the topics he will raise with President Reagan and President-elect Bush is the matter of the presence of Nicaraguan counterrevolutionaries in Honduras.

[Azcona] [Words indistinct] have said several times that we want to seek a solution to this problem, and we will ask the U.S. Government to help solve it.

[Antunez] President Azcona and his retinue will return to Tegucigalpa on the afternoon of 11 January. [end recording]

New Labor Minister on Minimum Wage, Contras
PA0501230289 Tegucigalpa Televisora Hondurena
in Spanish 0100 GMT 5 Jan 89

[Report by Jose Emilio Soriano; passages within quotation marks recorded]

[Text] Armando Blanco Paniagua, the new minister of labor and social security who will take office 1 February, announced officially at the Presidential House today that he will support all efforts by organized labor to get congress to increase the minimum wage. Here is what he said at the Presidential House:

[Blanco] "The present minimum wage is obsolete and at variance with actual conditions in the country and with [word indistinct] organized labor demands. The problem stems from wage scales, so it is also very important for private enterprise to take part in the minimum wage debates. We must understand that the minimum wage should not be increased so much that it causes a serious rise in inflation, which would harm low-income sectors the most."

We asked Blanco Paniagua what he, as President Azcona's adviser, thought of the Nicaraguan counterrevolution's request that Azcona serve as a mediator in Nicaragua's domestic conflict. Did he think the president should mediate? What repercussions did he think such mediation would have on Honduras?

[Blanco] "The president's decision not to mediate in the contra issue is correct because it lies beyond the duties of a high-ranking Honduran official. I think that any statements by high-ranking Honduran officials on contra activities could be detrimental to Honduras at the International Court of Justice [ICJ]. The Nicaraguans could use such statements to support their accusations at the ICJ."

Soldiers Wounded by Mine Near Border
PA0501225989 Tegucigalpa EL HERALDO in Spanish
5 Jan 89 p 33

[Report by Ramon Abraham Amador]

[Text] Danli, El Paraiso Department—Two Honduran soldiers from the Ninth Infantry Battalion stationed in Las Lomas, Jamastran, were seriously wounded when they stepped on a "booby-trapped" mine near El Espanolito, on the border with Nicaragua.

The wounded are Esau Ulloa Galeano, whose hometown could not be determined because he was unconscious, and Jose Humberto Perez, from Opatoro, La Paz Department. The former received several pints of plasma and blood because he was seriously wounded by the explosion.

Ulloa Galeano suffered serious lacerations on his jaw, and the doctors removed shrapnel from his thorax and from under his left arm. He has a deep gash in his left leg.

Perez, who has served on the border area for 2 years, is in satisfactory condition with a superficial wound on his left leg.

Perez told EL HERALDO that the incident occurred Wednesday afternoon as he and Ulloa Galeano were on patrol. They entered a wooded area and were suddenly thrown into the air and fell to the ground unconscious.

He explained that the area is very sensitive, especially since the Sandinists entered Honduran territory in November 1987. A large tract of land was left mined, although the Honduran Army deactivated several mines.

Somewhat amazed, Perez said "thank God" the mine did not kill both of them.

Both soldiers are being treated at the Gabriela Alvarado Hospital in Danli. An officer who did not give his name said the more seriously wounded soldier will be transferred to the U.S. Palmerola Base in Comayagua, where he will receive emergency treatment.

Nicaragua

Ortega Discusses Summit Postponement, Contras

PA0901151189 Managua Radio Sandino in Spanish
1215 GMT 9 Jan 89

[News conference by President Daniel Ortega with unidentified reporters at Sandino International Airport in Managua on 7 January—recorded]

[Text] [Ortega] Based on the Central American presidents' agreement to meet in San Salvador on 15-16 January, the Guatemalan, Honduran, and Salvadoran presidents and I disagree with Costa Rican President Oscar Arias' proposal to postpone this meeting. As I have already said, this date should not be changed. The meeting should not be subjected to the (?setting of the date) by the United States. We, the Central American presidents, must set this date.

[Reporter] Is it to be understood that the postponement of the meeting has not yet been decided?

[Ortega] No. This suspension must be confirmed by all of the Central American presidents. If the majority of them agree to hold the meeting, they should advise President Arias and see if Arias accepts this counterproposal. We must keep trying to make Arias change his mind and truly contribute toward peace in Central America, as has been our purpose. We must prevent him from making this mistake, which would be equivalent to burying the Esquipulas peace plan.

[Reporter] What would be the effect of such a suspension on the Esquipulas accords?

[Ortega] It would be equivalent to going backward. We would be harming our independence, because Arias argues it is necessary to wait for U.S. President Bush to assume office before the Central American presidents can meet. This would make us subordinate our plans and actions to a U.S. decision. Of course, this is unacceptable and violates the Esquipulas accords' spirit.

[Reporter] Would the meeting be suspended if one of the presidents fails to attend?

[Ortega] We would have to consider it.

[Reporter] You have already confirmed your acceptance of a technical meeting and proposed to hold a foreign ministers' meeting. Are all of these preliminary meetings subjected to the decision to [words indistinct]?

[Ortega] None of the technical, foreign ministers', or presidents' meetings has been suspended. We are seeking a joint decision in view of Arias' proposal, which is only that: a proposal, not a decision. If the other presidents agree to meet, he will have to change his mind and join the Central American presidents' consensus. Otherwise, he would not be a proposal but a unilateral decision against the Esquipulas' accords spirit and [words indistinct].

[Reporter] [Words indistinct].

[Ortega] I talked with President Duarte. He told me Arias proposed to him to postpone the summit meeting. [Words indistinct]. The proper procedure is to consult with other Central American presidents. Arias could not decide not to hold the meeting. The proper thing is, as President Duarte is doing, to send letters to the Central American presidents telling them about Arias' proposal and asking them for their opinion.

[Reporter] It has been said the contras have sent you a note asking whether the Sapoa process is still alive and whether there are still plans to meet with the Sandinist government at the OAS on 25 January. Has this officially been turned down?

[Ortega] It is the contras themselves who killed Sapoa by failing to comply with the accords and refusing to attend the pending meetings scheduled to be held in Managua. They refused to continue the talks in Managua. Now we see various positions in the contras' leadership, which the U.S. Administration is trying to reorganize to increase its pressure against Nicaragua. The administration keeps seeking to overthrow the Nicaraguan revolution. We cannot take the contras' proposals seriously. The important thing now is to obey the cease-fire decreed by the government. But they violated this cease-fire and recently murdered women and children in various places in the country. The Nicaraguan Government cannot accept this. We think the Verification Commission has work to do here regarding the cessation of offensive operations against the people.

[In a similar report, Panama City ACAN in Spanish at 1441 GMT on 8 January reported that "Ortega insisted his government cannot treat 'seriously' proposals by the contra directors, because they are 'divided,' in a state of great confusion, and about to be reorganized by the U.S. Administration." The ACAN report went on to say: "President Ortega confirmed he would attend the swearing-in of new Venezuelan President Carlos Andres Perez, which will take place on 2 February.

"Additionally, he also confirmed he will make an official visit to Brazil, following an invitation by President Jose Sarney.

"Ortega said that in principle, this trip was scheduled for 3 February, but that now the date 'is being adjusted.'")

Ortega Condemns U.S. Downing of Libyan Planes
PA0701192589 Panama City ACAN in Spanish
1531 GMT 7 Jan 89

[Text] Managua, 7 Jan (ACAN-EFE)—The Nicaraguan Presidency today announced that the government has expressed solidarity with Colonel Mu'ammarr al-Qadhafi and has condemned the United States over the downing of two Libyan reconnaissance planes over the Mediterranean Sea this week.

In a message sent to Al-Qadhafi, President Daniel Ortega expressed "indignation" over the incident, which has heightened international tensions. Ortega described the incident as the "unjustified downing" of two Libyan aircraft "in a dangerously premeditated, illegal, and irresponsibly mercenary manner."

"We have followed with great concern the warmongering display which the Reagan administration, in its final days in power, is carrying out near Libya's coasts, clearly provoking what could end in ill-fated consequences" for Libya, Ortega pointed out.

The Nicaraguan president interprets the incident as "a new link in the Reagan administration's anti-Libyan chain. The United States, in flagrant violation of international law and the UN Charter, has continued its effort to make this North African nation yield."

U.S. 'Responsible' for Possible Attacks Abroad
PA0901224289 Managua Radio Sandino in Spanish
1940 GMT 9 Jan 89

[Text] Nicaragua said today that the United States is responsible for any terrorist attack against Nicaraguan ambassadors abroad, in view of the threats made to that effect by Nicaraguan counterrevolutionaries. In an attempt to link the Nicaraguan authorities with the killing of contra leader Manuel Antonio Rugama in Honduran territory, spokesmen announced that reprisals would be taken against Nicaraguan ambassadors and property in various countries.

Rugama, gunned down by unidentified persons on 7 January while traveling to Tegucigalpa, and whose passport identified him as a resident of San Francisco, California, was soon to have been designated a top leader of the anti-Sandinist forces, following the appointment of Enrique Bermudez as president of the so-called Nicaraguan Resistance [RN].

Manuel Espinoza, minister of information of the Presidency of Nicaragua, stressed that as of this moment his government holds the U.S. Administration responsible for any incident that may affect its diplomatic representatives abroad.

Defense Ministry Reports Honduran 'Harassment'
PA1001005889 Panama City ACAN in Spanish
0021 GMT 9 Jan 89

[Text] Managua, 9 Jan (ACAN-EFE)—The Defense Ministry reported today that Honduran Army troops carried out two harassment actions against an observation post in northwestern Nicaragua without causing any casualties.

The source stated that on 7 January the Honduran soldiers used rifles and M-79 grenade launchers against the La Ceiba post, in Chinandega Department, on the Honduran border.

This is the first attack launched from Honduras against a Nicaraguan position announced this year by the Defense Ministry.

Last year, Nicaraguan military authorities frequently announced this kind of action.

Contra Actions Reported to Verification Group
PA0501234889 Managua BARRICADA in Spanish
4 Jan 89 p 5

[Letter from Acting Foreign Minister Victor Hugo Tinoco to OAS Secretary General Joao Clemente Baena Soares and Cardinal Miguel Obando y Bravo to report contra actions; dated 3 January in Managua]

[Text] Managua, 3 January 1989
Your Excellency
Mr Joao Clemente Baena Soares, OAS secretary general
Your Eminence
Cardinal Miguel Obando y Bravo, Nicaraguan Episcopal Conference president

Your Excellencies:

I address you to report the counterrevolutionary forces' latest criminal actions to the Sapoa Agreement Verification Commission. These actions indicate how the counterrevolution will act during 1989.

Yesterday, less than 48 hours after the new year had started, 40 counterrevolutionaries from a tactical operational unit attacked the town called "La Maranoza," 13 km south of Wiwili, in the 6th Region. This criminal attack left three civilians dead: Juliana Polanco, 70; Maritza Amador Palacios, 3; and Isabel Amador Palacios, 6. In addition, three civilians were wounded. One of them was Helena Palacios, 12.

The counterrevolution is not only breaking the cessation of offensive military operations, but it is carrying out attacks—such as the one we are reporting here—that only result in the deaths of elderly people and children.

I take this opportunity to reaffirm my esteem and respect.

Victor Hugo Tinoco, acting foreign minister

Bulletin Issued on Contra, Honduran Actions

PA0801145589 *Managua Domestic Service in Spanish*
2300 GMT 5 Jan 89

[Bulletin issued by the Defense Ministry's Public and Foreign Relations Directorate in Managua on 5 January]

[Text] 1. Despite the cessation of offensive military operations decreed by the revolutionary government, the stateless forces of the Reagan administration have perpetrated the following terrorist actions against our working people:

On 3 January, they attacked Boan, west of La Gateada, Chontales Department, killing two Civilian Defense members and wounding two civilians. The names of the dead are Miguel Maltes Hernandez and Ismael Maltes Hernandez. The names of the wounded civilians are Roger Miranda Martinez and Julio Aguilar.

2. These are the provocation actions that the Honduran Army carried out in our country:

On 3 January, Honduran soldiers harassed with rifle fire the forward observation post at Zapopa, Mulukuku, 4 km north of Teotecacinte, Nueva Segovia Department.

Managua, 5 January 1989.

Nicaraguan Defense Ministry's Public Relations Directorate.

Cesar To Resign Unless RN Restructured

PA0601224489 *San Jose Radio Impacto in Spanish*
1830 GMT 6 Jan 89

[Report on interview with Roberto Ferrey, member of the Nicaraguan Resistance Directorate, by correspondent Alejandro Acevedo; date and place not given—recorded]

[Text] [Acevedo] Attention, this is an exclusive report: Alfredo Cesar has threatened to resign from the Nicaraguan Resistance, RN, Directorate if restructuring of the rebel organization's hierarchy has not taken place by 20 January. We asked Dr Roberto Ferrey if there was a rift in the RN Directorate and if our report was true. Dr Ferrey replied:

[Begin Ferrey recording] Within a pluralist organization there are always currents, opinions, and personal rivalries. Clearly, this is regrettable under our circumstances because rivalries among exiles, especially in Nicaragua's case, only make the Sandinists' work easier.

We have always maintained this position and we believe it is valid. We must now combine our efforts and ideas to carry out a genuine final struggle against the Sandinist dictatorship early this year.

We are reaching the point where the Sandinist regime could collapse not only because of economic problems, corruption, and social deterioration in Nicaragua, but also because of the pressure from the internal opposition and the opposition abroad.

To play these little games is, in the end, playing the Sandinists' game. A restructuring of the RN has been proposed; however, the restructuring proposed by certain people is clearly undemocratic because it violates established principles of the RN. It violates the principle of maximum political participation and the principle of assembly; that is, the principle of representing all forces in exile within an organization empowered to elect and dismiss.

If by restructuring they seek the absolute disappearance of this body, then, simply speaking, it is a division and not a restructuring of the RN that they are proposing. Moreover, with the system of handpicked appointments, they are proposing a totally negative principle that allows a foreign agent—that is, a group or person foreign to Nicaraguans—to come here and decide who should be Nicaragua's leader in exile and who should have more or less power.

We believe that a restructuring proposal based on these ideas is undemocratic, antinationalistic, and totally alien to the interests of the struggle to free Nicaragua.

[Acevedo] Is it true that Mr Cesar set a 20 January deadline for restructuring or he would resign from the RN?

[Ferrey] Yes, Mr Cesar said before a large group of people that if there was no restructuring [3-second break in reception] he would be forced to withdraw. He stressed that he would withdraw from the RN amicably.

We believe this is a negative attitude. We hope he will reconsider. We hope that this attitude will be overcome in our struggle against Sandinism and that the RN will remain united; that it will present to the Sandinists a unified negotiating position allowing us to unmask the Sandinist regime and reveal its true character. This will not take long because recently the international community has seen what the Sandinists are really like.

It would be regrettable if Mr Cesar succeeded with this proposal. It would not help the struggle for democracy in Nicaragua; it would not benefit the continuity of the RN, which is facing a new [U.S.] administration that is about to define its position regarding not only Central America, but also Nicaragua.

Labor Leader Rejects New Economic Measures

PA0601143789 *Managua Radio Noticias in Spanish*
1130 GMT 4 Jan 89

[Text] Inflation is once again inflicting a harsh blow on the poor. The official increase in the price of the dollar has increased the prices of gasoline, medicine, and all

imported staple products. Antonio Jarquin, general secretary of the autonomous CTN [Nicaraguan Workers Federation], has assessed the new economic measures' impact on workers' budgets:

[Begin Jarquin recording] I believe it should be understood that the government's economic policy is disastrous and that its economic measures are a display of contempt toward the Nicaraguan workers and people in general. After listening to news reports and reading BARRICADA, we cannot but strongly condemn these new economic measures. These measures do not aim to solve the serious crisis the Nicaraguan workers are facing; instead, they attempt to support the sectors that control the means of production and financial resources, while they prescribe poverty and unemployment for the workers.

As of this month, state institutions, textile businesses, and other industries will begin laying off personnel. The economic measures, therefore, have proven to be a disastrous display of government irresponsibility. The measures lack humanitarianism, and they even fail to support Nicaragua's workers. Even though a 200-to-500-percent salary increase may be decreed, it will not benefit the workers. The blow inflicted on the workers with the cordoba's devaluation and the encouragement offered to the owners of the means of production preclude the possibility of the workers recovering from this serious crisis. Our only way out is a labor union uprising—a union decision to stop being passive. We will have to struggle; we will have to demand fairness from the government so the workers' needs can be met. This situation has gone too far; it has become intolerable for the workers, who must now take stronger measures to defend their own interests.

The government has surrendered to pressures from business owners while ignoring the workers' just demands. I therefore believe that based on our constitutional rights, it is time for the workers to take strong measures. It is to this effect that the Permanent Workers' Congress [CPT] will hold a seminar tomorrow to define or redefine its strategy and solve this difficult economic situation. The CPT may issue a declaration Friday explaining its strategy in response to the situation caused by the government. What is happening cannot even be described as similar to the IMF's demands—it is even more disastrous. [end recording]

Highlights of Proposed 1989 Budget Reported
PA0501204689 Managua Radio Sandino in Spanish
1200 GMT 4 Jan 89

[Text] Nicaraguan President Daniel Ortega has sent to the parliament a draft bill outlining the proposed 1989 general budget. The document will be delivered this week to the 96 legislators who make up the Legislative Branch so they can submit their written proposals during the congressional debates.

In his New Year's message, President Ortega announced that the EPS budget will be reduced by 29 percent. President Ortega also announced that the Interior Ministry's budget will be reduced by 40 percent. This announcement came as a surprise to the population and political groups opposed to the Sandinist government.

The budget to be debated by the National Assembly in the next few days will be 185 billion cordobas, according to Julio Vega, who heads the Budget Office. Of this amount, 35 percent will be allocated to defense activities carried out by the Interior and Defense Ministries; 23 percent to social services, particularly health, education, and sports; and 23 percent to other ministries.

The Sandinist government's budget policy will be adjusted to cope with the 1988 deficit, which, according to Vega, totaled 71 billion cordobas.

Vice President Sergio Ramirez said the new aspect of the nation's 1989 budget is that it will not be backed with the issuance of new currency. Ramirez said all the expenses in the various government projects and institutions must be backed by some financial source, such as fiscal revenues, direct taxes, foreign sources, or some kind of transfer, but not through the issuance of paper money. Ramirez said the government will not finance investments having no financial support, stressing that the purpose of this measure is to seriously counter inflation and eliminate the issuance of new currency.

According to Ramirez, this year will be an economic test for the revolution, as public spending and the issuance of currency will be restricted to overcome hyperinflation.

Further on Budget Allocations

PA0701185189 Managua Radio Sandino in Spanish
1930 GMT 6 Jan 89

[Text] Nicaragua's draft general budget was made public today, confirming that priority will be given to the defense of the revolution, as announced by President Daniel Ortega. Thirty-six percent of the state's budget has been earmarked for the defense sector.

The defense sector remains in first place of all the expenditures, despite the 29 percent and 40 percent reductions in the Defense and Interior Ministries' budgets, respectively. Nicaragua has thus managed to lower the burden of its defense expenditures, which represented more than 50 percent of the public sector's expenditures in recent years and included 4 out of every 10 men of working age.

A significant aspect of the draft budget submitted to the National Assembly is that 92 percent of the 285.507 billion cordoba budget—\$142,753,000 at the official exchange rate—will come from internal revenues.

The policy of completely eliminating the issuance of paper money was recently announced by Vice President Sergio Ramirez as part of a package of measures to counter the country's hyperinflation, which surpassed 20,000 percent in 1988.

State investments this year will be limited to 9 percent of the budget. Meanwhile, social programs—particularly in the health and education sectors—have been given 24 percent of the budget, about the same as the previous period.

According to sources close to the National Assembly, that body will begin to prepare the draft budget resolution on 13 January. The first discussions might begin on 31 January with the participation of representatives from the main political parties.

Meanwhile, salary increases for public employees will be reviewed after the National Assembly discusses the budget that will be given to each sector and their respective agencies. This decision greatly affects public employees, who face new price increases in fuel, food, and public services.

EPS Chief on Spending Cuts, Unemployment
PA0601015189 Managua LA PRENSA in Spanish
31 Dec 88 p 12

[Text] At a ceremony to honor the most outstanding officers of 1988, EPS Chief of Staff Commander Joaquin Cuadra said that 1989 will demand greater efforts as well as important economic adjustments in Nicaragua.

Cuadra said that the victory over the insurgent forces had a large social, economic, and military cost, with thousands of war victims and thousands disabled by the war.

Referring to the country's crisis, Cuadra stated clearly that Nicaragua had never experienced a disaster such as this and that important adjustments must be made to face 1989.

He said that one of next year's measures will be reductions in public expenditure. This would include reductions in military expenditure in spite of its high-priority mission, which he viewed as vitally important for defending the revolution.

Cuadra said that personnel in all state enterprises will be greatly reduced in 1989, which will produce more unemployment. He made an appeal for greater sacrifices and for unity to face the aggression and the acutely deteriorated economy.

Some analysts were surprised by the official announcement of a large amount of war dead because it was being said that their numbers this year were between 1,000 and 1,500. There had been rumors also about an enormous "reduction"

in the work force that the Sandinist government would make in 1989, a reduction that will affect mostly public employees and those in the military apparatus.

Panama

Solis Palma Says 1964 Commemoration 'Warning'
PA0901163089 Panama City ACAN in Spanish
1526 GMT 9 Jan 89

[Text] Panama City, 9 Jan (ACAN-EFE)—Panamanian President Manuel Solis Palma today characterized the commemoration of the 25th anniversary of the events during which 22 young Panamanians died in clashes with U.S. policemen and citizens on 9 January 1964 as a "warning" to the Bush administration. He said: "This message represents a warning, not an aggression." Solis Palma made this statement at the conclusion of a ceremony attended by the entire government, other important authorities, and many Panama Defense Forces officers. During the ceremony, several speakers strongly denounced "U.S. imperialism."

The ceremony took place near the place where most of the victims died as a result of incidents provoked by the refusal of U.S. residents in the Canal Zone to let the Panamanian flag fly next to that of the United States, as established in a treaty signed by the two countries.

Currently, the relations between the two countries are at its lowest level since that year, and the U.S. Administration still has not acknowledged Solis Palma as the legitimate president of Panama.

The president asked the U.S. people "to realize that the Panamanian people have decided to struggle for their liberty and their sovereignty." He said this in a brief statement to the media following the ceremony and before the beginning of an official commemorative march.

Earlier, Lieutenant Colonel Arnulfo Castrejon—who spoke on behalf of General Manuel Antonio Noriega—denounced the U.S. objective of "putting U.S. servants in power." In saying this, the officer was explicitly referring to the presidential and legislative elections scheduled for 7 May of this year.

Hector Aleman, president of the National Federation of Associations of Public Employees—one of the country's largest labor unions—said it is necessary "to build a uniting tool" to face "the destruction provoked by imperialism."

Another speaker, Alvaro Menendez Franco—who personally lived through the 1964 events—strongly criticized the absence of Panama City Bishop Marcos Gregorio McGrath, and raised the tone of the warnings to the United States by saying: "Now we would not respond to the aggression by throwing rocks, but with weapons."

FDP Officer Speaks at Commemoration Ceremony
PA0901182389 Panama City Domestic Service
in Spanish 1212 GMT 9 Jan 89

[Speech by Lieutenant Colonel Arnulfo Castrejon at a commemoration of Martyrs' Day at Ascanio Arosemena Plaza in Panama City—live]

[Text] Mr President, ministers of state, legislators, government officials, Panama Defense Forces [FDP] captains, future commanders of the 1999 generation, relatives of the 9 January martyrs:

I will begin by recalling General Manuel Antonio Noriega's words 25 years ago, on 15 January 1964, during the Colon martyrs' funerals. Noriega had been designated by Commander in Chief Bolivar Vallarino to represent the National Guard. Young officer Noriega delivered a prayer for the dead, addressed to the January martyrs in Colon: Sergeant Celestino Villarreta, who fell while on duty; student Carlos Reynaldo Lara; and the little 1-yr-old girl, Maritza Alabarca. This is the prayer Noriega had offered:

We have sworn before the altar of our sovereignty not to take the revenge that defiles our feelings as Christians, but to keep struggling in the field of law and, in fact, die in the Canal Zone.

This confirms that he was a revolutionary man of vision, because he was still very young. We are honored today by having him as FDP commander. We see clearly that he is a patriotic and nationalist military man who will not surrender or flee or step backward. He is the kind of military man willing to die in the struggle for the total sovereignty in our territory.

I thank Noriega for having let me take the floor in the FDP's name, for the fourth consecutive time, on this platform where we remember our 9 January martyrs who gave their lives in the struggle for Panama's sovereignty over the Canal Zone. It was the students of the glorious Eagle's Nest, the National Institute, who confronted abuse and humiliation on that tragic 9 January 1964 afternoon. Zonian policemen destroyed our flag while our students sang our national anthem and tried to raise our flag beside the U.S. flag, just as it was agreed upon in the Remon-Eisenhower Treaty.

We, the students of the National Institute, Professional School, Arts and Trades, and others, and the public at large then joined in an effort to plant Panamanian flags taken from the National Institute's main lecture theater. As the result of our actions, 23 were killed and more than 500 wounded between 9 and 10 January.

The protest, repudiation, and moral punishment by the nations of the world against the massacre perpetrated by the U.S. Army were unanimous. As a result, President Roberto F Chiari and Foreign Minister Galileo Solis severed relations with the U.S. Government. Those were

difficult moments for the National Guard, because we had to be in the area of the conflict to prevent greater bloodshed resulting from the confrontation between a powerful Army and an unarmed people.

Although discipline prevailed within the ranks of the National Guard, despite personal feelings aroused by the sight of their dead and wounded brothers, officers such as Major Damaso Chombo Cedeno, retired, have permanently been denied a visa to enter the United States, because they were photographed through a telephoto lens when firing their service revolvers at U.S. troops.

My deep gratitude and respect go out to the meritorious Panamanian Firemen's Corps, who, with their red shirts, dodged bullets and came to the aid of the Panamanian people, in the area bordering the Canal Zone.

I remember the national Red Cross as the institution that, at the time, provided assistance to the wounded in a courageous and determined manner, thereby alleviating our people's suffering.

I remember the Panamanian Boy Scouts, who, bravely, courageously, and daringly, offered their bodies for protection, and waived their distinctive troop banners to prevent the aggressor Army from breaching the limits of the former Canal Zone and entering our city. My respect and admiration go out to those heroic children.

To the members of the press, television, and radio media of those days, who covered events responsibly and professionally, at the risk of their own lives, I express my deep respect.

Ladies and gentlemen. Those of us who, by a twist of fate, lived through the massacre carried out by the Yankee aggressors will never forget it. We will bear it with us until the day we die. That is why, during the past crisis, when we saw the U.S. A-7s, A-37s, Cobras, and Blackhawks, we were not intimidated. On the contrary, our will to fight for our total sovereignty was invigorated by the sight. [crowd chants]

Our defense forces, with their Dignity Battalion [cries of "Present!"], our defense forces, with their Dignity Battalion [cries of "Present!"], are not willing to hand over our national flag or move a single step backward.

Ladies and gentlemen. We reiterate—before the Panamanian people, students, teachers, peasants, labor union members, workers, professionals, businessmen, and patriotic Panamanians—that our Defense Forces will not let you down. We are officers and enlisted men who were born into humble homes, who studied in public schools, who know the naked truth, the naked truth about our people, our rebelliousness, and our dream of one day seeing our country become a free and sovereign nation. [crowd chants]

Those of us who have chosen a career in the military have our feet on the ground. We love our chosen career, and, at all times, we fulfill our nation's sacred commands, as handed down to us by our Constitution: to love, respect, and defend our country until we die. Rest assured that the new generation of members of the Defense Forces, who will be active in the year 1999, will do honor to the famous and historic statement by Commander General Jose Antonio Remon Cantera, which says: "Neither millions, nor charity—we want justice."

I am absolutely sure, and I can confirm, that this generation of officers, of young captains [crowd chants], will also not sell out their beloved country for the millions of dollars that the U.S. Government is accustomed to offering. These officers have been nourished and vaccinated with revolutionary vitality. It is a revolutionary and doctrinaire vitality transmitted to them by the Armed Forces Commanders Gen Jose Antonio Remon Cantera, General Omar Torrijos Herrera, and present commander in chief Gen Manuel Antonio Noriega.

Panamanians, television viewers, and radio listeners: The countdown starts at this moment, the 25th anniversary of the historic events of 9 January 1964. We have 10 years, 11 months, 21 days to go before the day, on 31 December 1999, when our national flag will be the only one that waves throughout the country's territory. [crowd chants]

Listen well, gentlemen. [Words indistinct] listen well. If the northern colossus decides to impose its military and economic might so as not to comply with treaties, remember U.S. gentlemen: No more Vietnam [preceding three words in English] Remember U.S. Gentlemen: No more Vietnam. A shameful withdrawal is preferable to a shameless stampede. Withdraw as friends so you do not have to beat it as enemies. We will not join the list of U.S. enemies but neither will we continue to be in the inventory as one of its clerks. We are friends of all the world. The United States should not carry on with the old story that only the United States can efficiently manage the Panama Canal and maintain its security. Quite the contrary, because we have one political and ideological position and our neutrality is internationally accepted, the Panamanian Government can guarantee that it will not be a nuclear target in an international conflict. The canal is presently mostly managed by Panamanian professionals.

Young patriots, young Panamanian patriots. We want to emphasize that the fatherland's fate is in our hands. During the past 365 days, the United States has been disloyal as a friend and as an ally. They have imposed on us the big-stick policy. They have subjected us to hunger and economic terrorism by imposing an economic embargo, not paying canal tolls, not paying taxes, and limiting the import and export of our products and natural resources. They have also exerted international pressure with their economic and military might to

prevent friendly countries from giving us economic aid. All these facts are proof that these gentlemen do not want to hand over the Panama Canal.

In the United States, the Indian, Black, and Latin communities are dying of hunger and cold, and they do not have social equality or, much less, human rights. Prostitution, drugs, and vices proliferate in their big cities, and they are managed by the 10 big families in that country. They call that democracy. Gentlemen: Is this the example this great nation gives us?

The United States spends millions of dollars in publicity and disinformation campaigns against leaders and countries that do not say "Yes Sir" to U.S. interests. When that happens, the United States begins an offensive to promote chaos and economic terrorism. What has happened in our country is evidence that this is true. You have all witnessed that this is a reality. That is why we, the FDP, assert that the traitors who tried to dominate us on 16 March will never return. Our institution does not have space for traitors, nor for cowards who are willing to sell our country. Treason, dishonor, and cowardice flourished among these traitors, who were terrified and frightened when the U.S. 193d Infantry Brigade and 82d Paratrooper Division, trained for quick deployment, attempted an invasion. [slogans chanted] Fortunately, treason and cowardice did not advance, thanks to officers and rank and file who were loyal to the fatherland, the institution, and our Commander in chief, Gen Manuel Antonio Noriega. Military honor and dignity that are characteristic of our Armed Forces and its commander in chief triumphed.

Gentlemen, those who sell their fatherland and betray their country's sacred interests do not deserve to live in the land of Urraca, Tomas Herrera, Benjamin Ruiz, Jose Domingo Espinar, Victoriano Lorenzo, Jose Antonio Remon Cantera, Ascanio Arosemena, Rodolfo F. Chiari, and Omar Torrijos Herrera. This applies even more to the military man who had sworn loyalty and later turns his back and abandons his weapon when national sovereignty and integrity is threatened.

Parents of the 9 January martyrs: Rest assured that the lives that were offered and the blood that was shed have not been in vain. Panamanians are not revengeful people nor do they hold grudges, but we will not allow one step backward in the struggle to see that the Torrijos - Carter treaties are kept on 31 December 1999.

I must tell the U.S. Government that our request for justice should not be viewed as a plea or as our bending our knees to them to demand our inalienable rights.

To our officers of the 1999 generation, the gentlemen cadets of the Benjamin Ruiz School, and students at the General Tomas Herrera Military School, I say: History repeats itself in spiral form. Remember when the Americans disarmed and abolished our National Army in 1904, 1 year after our independence from Colombia?

That glorious army had fought for America's independence beside the Liberator Bolivar, beside San Martin, Santander, and Sucre in the battles of Carabobo, Junin, Ayacucho, Boyaca, Pichincha, and many more—with Panamanian Commanders Generals Jose Domingo Espinar, Benjamin Ruiz, and Tomas Herrera, who with their troops bravely and heroically attained victory.

Gentlemen, the United States saw danger in maintaining a military tradition of brave men who at any given time could defend and demand what they had earned in brilliant battle, which was to rid themselves of the Spanish colonial enclave and not fall into the hands of the American colonial enclave.

The United States wants to prolong its stay in the Canal Zone beyond the year 2000, violating the Torrijos-Carter treaties. One way to achieve this is to wear down the FDP's monolithic command's unity, with its single commander, defense force, and general staff, with all its officers, non-commissioned officers, and troops united by a single doctrine under which we are the true defenders of democracy and our people, without interference by foreigners who are concerned only with their own interests.

This moment is appropriate to say that for the electoral contest in May 1989, it is well known that the United States has its hands in the profoundest decisions of our Panamanian dignity. The Americans will use all their economic, political, informational, and defamatory might to achieve their dirty goals and establish their docile servants in power. The answer, fellow Panamanians, the answer must be nationalistic and liberationist, because Panama's future is in your hands, the hands of good Panamanians, which most of you are. The Americans have punished us; they have denied us the right to eat, acting on a request by those who want to attain power. The United States cares little for this people's hunger, nationalism, and dignity. [crowd chants FBIS]

Fellow Panamanians, do not allow what is being planned with the devil and the anti-Christ in the White House to happen. They are screaming for an armed intervention by foreign forces and mercenaries. They want to give our people a bloodbath, caring little for the lives of the nation's humble sons, who will defend their fatherland, sovereignty, and integrity throughout the entire nation. Thank you very much. [applause]

Commentator Criticizes U.S. 'Free' Use of Bases
PA0401232589 Panama City Televisora Nacional
in Spanish 2300 GMT 3 Jan 89

["Today in the World" commentary by Luis Manuel Martinez]

[Text] Today's topic is military bases. Abraham Ribicoff, former senator and former secretary of health and social welfare—he was the Democratic senator from

Connecticut and a member of John Fitzgerald Kennedy's cabinet—and Jack Edwards, Republican congressman from Alabama, both members of a special commission that has been working secretly since May, yesterday disclosed the results of their studies and investigations: It is necessary to close 91 military bases and at the same time restructure another 54 bases throughout the United States. This will provide savings of some \$5 billion over the next 10-20 years. Among the bases that should be closed—and most likely will be closed—are Fort Dix in New Jersey; the Presidio in San Francisco, California; Chanute Air Force Base in Illinois; George and Mather Air Force Bases in California; Norton in New Hampshire [as heard], and Pease Air Force Base, also in New Hampshire.

This decision reached by the special commission was announced during a news conference and appears to have the approval of Defense Secretary Frank Carlucci, head of the Pentagon. Within a few days—45 days I believe—Congress will have to hear the proposal, but Americans appear to be greatly traumatized by the need to reduce their inflated budget, which was increased to an exaggerated extent by Ronald Reagan for defense expenditures.

Strangely, the bases to be closed do not include Fort Gulick, Rodman, Howard, Fort Clayton, or the Southern Command. Why not? Simply because those bases are free. Americans do not pay a cent, either to use the Southern Command's espionage center on Galeta Island—where there are mysterious underground installations—or for the use of Clayton, Gulick, and Rodman. Therefore, because they do as they like here, because they think of Panama as a colony, as U.S. territory, they feel there is no need to make concessions of any kind to Panama or consider any reorganization of these bases. Day after day, they are showing that these bases will remain here, and that they will continue to enjoy them without paying anything to the Panamanian people for the use of their territory.

What a lovely tale this is: The colony remains; the bases also remain; and they do not pay a single cent. This is the same old story. Every time the United States speaks of military bases and budget adjustments, it does not have to think of Rodman, Clayton, Howard, the Southern Command, or Fort Gulick, because these are bases that do not represent, in themselves, disbursements of the U.S. Treasury. They require disbursements for personnel, equipment, etc., but the Americans pay no duties. The bases have been here free of charge since 1904, and the Americans think this situation is unending. They are so obstinate that instead of acknowledging the need for these bases for the strategic plans of U.S. domination, they heap upon us their insults and offenses about whether there is drug traffic or whether or not there is democracy. When did men who are so cold and so used to the impressive figures of millions of dollars ever worry about whether there was democracy in Panama or anywhere else in the world? If they are worried about

democracy, they should take their worry to South Africa, which has a government they have been supporting for many years. If human rights are the problem, we can mention the great number of countries allowed to violate human rights as long as they keep their commitments to Washington. There is El Salvador and Guatemala. As long as they stay in line with the United States, they receive what could be called a letter of credit, a blank check, to continue killing, murdering, and wiping out their people.

Therefore, on this first Tuesday of 1989, it continues to be obvious that peoples who want independence have to resist and pay the price. Panama is doing it.

PPA's Endara on Need for Opposition Unity

*PA0801161089 Panama City Circuito RPC
Television in Spanish 2300 GMT 5 Jan 89*

[Interview with Guillermo Endara, member of the Authentic Panamenist Party (PPA), by unidentified reporter; date and place not given—recorded]

[Text] [Endara] The opposition has a tough job ahead: to reconcile all the very justified aspirations of the various Panamanians who aspire to the various popularly elected positions. I believe the opposition has to agree on the candidates for representatives and legislators. The opposition definitely has to agree on the three presidential candidates. We have a patriotic duty, a historic duty to present to Panama in the 1989 elections a single presidential ticket that corresponds to the interests of the opposition and the democratic interests of the country. That is an inescapable duty we in the opposition have to meet in the course of the next few weeks. The deadline to file for candidates is 7 February, which is also carnival Tuesday. This means the effective deadline is the end of January.

[Reporter] In that respect, what is the object of the Authentic Liberal Party in promoting your name as a presidential candidate?

[Endara] The proposal the Authentic Liberal Party and the PPA are making is to submit a name, in this case myself, for consideration by the opposition parties as a candidate for the presidential ticket. We, the two parties, submitted this name knowing we have a great political responsibility. The PPA received the most votes in the last election. Therefore, we have the responsibility of winning even more votes next time, and we have a duty to be part of that presidential ticket. That is why my name was submitted.

[Reporter] What is Ricardo Arias Calderon's situation given that some sectors see him as a person to be reckoned with in the opposition?

[Endara] Of course he is; he is a great figure and has great qualities we all admire. The PPA members have great respect for Arias Calderon for many reasons, principally because he was on the ticket with Arnulfo Arias Madrid

and participated in many democratic struggles in Panama. Arias Calderon is an outstanding figure in the opposition, a figure we all appreciate and in no way object to.

[Reporter] If there is a change after the next election, what would the country's economic situation be? Many persons wonder whether a democratic change will help solve the economic problems.

[Endara] All economists that I know—but you do not have to be an economist to see this—say the solution to Panamanian economic problems requires a political solution. There can be no economic solution or economic progress, there can be no solution to the great crisis we are experiencing, unless we return to a democratic system where freedom prevails, where the popular will, not weapons, legitimizes power. We must overcome this situation if we really want to solve the great Panamanian crisis. We all agree on this.

PAPO To Support Sole Opposition Candidate

*PA0801145889 Panama City Circuito RPC Television
in Spanish 2300 GMT 5 Jan 89*

[Report by unidentified reporter on statement by Popular Action Party (PAPO) President Carlos Ivan Zuniga during a news conference in Panama City on 5 January—recorded]

[Text] [Reporter] During a news conference today, PAPO announced it would support other opposition parties as long as they nominate only one slate:

[Zuniga] Four opposition political parties have announced to the country their decision to participate in the upcoming elections. Our party did not sign that document, and we wish to explain why.

The four signatory political parties asked us to join them in signing that document. We argued that our party is not legally recognized and that it has no status; thus, any nomination would lack the appropriate legal status.

We voice our preference that legally registered parties propose the nominees. We categorically said we do not believe in the dictatorship's elections, because an essential element, citizen rights, is not respected. Without the exercise of civil liberties, an election to achieve a democratization PAPO wants is not viable.

However, for the sake of unity, we said we would support any slate approved by the opposition as long as that slate is based first, on a democratization program, and second, that it be their only slate. In other words, if the opposition presents more than one slate, if it is divided, PAPO would not participate in the elections, because it would be totally and absolutely useless to compete in elections with a divided opposition against a united government force. Those are our conditions.

If tomorrow the four opposition political parties present to the country a sole slate supported by those four parties, PAPO would hold a convention and support that sole slate of the opposition political parties.

For us, the upcoming elections will give us the opportunity to mobilize the people to fight for democratization. We believe the democratization program should be part of the program of a constituent assembly [programa constituyente]. Based on our political experience and national reality, we believe any political solution must necessarily involve a constituent assembly. For us, it is essential that opposition political parties understand that the only option, the only fruitful dialogue will take place at a national constituent assembly and that the opposition slate that will win in May 1989 will necessarily have to establish a constituent assembly.

In sum, PAPO, for the sake of unity, to show its absolute political selflessness, and to show that its previous struggles were not moved by electoral ambitions for 1989, will not allow any of its members to be candidates for any electoral positions. PAPO will nominate no candidate for any electoral position. All party members have renounced any electoral aspirations although all polls show our party and yours truly are among the most liked by the people. For the sake of absolute unity of the opposition, we renounce any aspiration. We also hope that for the sake of that same unity, the other party presidents and others who are aspiring to the Presidency, will also renounce any aspiration if their renunciation would contribute to the consolidation of opposition forces.

[Reporter] Dr Zuniga also commented on the possible candidacy of Guillermo Endara for president of the Republic:

[Zuniga] If Guillermo Endara's candidacy were supported by the Christian Democratic Party and the Nationalist Liberal Republican Movement, he would also be PAPO's candidate. Therefore, those are the parties called to show the country whether they are willing to unite; our party is not the one. We would support a sole candidacy of the four parties. If that candidate turns out to be Guillermo Endara, we would support him.

[Reporter] As for the government, Dr Zuniga said General Manuel Antonio Noriega would be the best candidate:

[Zuniga] If Gen Noriega nominates himself as candidate for the Presidency of the Republic, I believe the government would have its best candidate to face the opposition, because he is in fact—in political, military, and all other senses—the representative of government forces.

I believe he would be the best candidate they could send to the national scene. There is no doubt about that. Moreover, he is Panamanian, is 35 years old, and can be

a candidate. I believe that should this candidate run against the opposition's candidate, there would not be even the slightest doubt that the opposition would defeat him by a wide margin.

PDC Proposes Calderon as Opposition Candidate
PA0701000789 Panama City Telemetro Television in Spanish 2313 GMT 6 Jan 89

[Statements by Guillermo Cochez and Raul Ossa, vice presidents of the Christian Democratic Party, PDC; date and place not given—recorded, broadcast in progress]

[Text] [Cochez] ...vice presidents and the PDC Political Committee, authorized by the National Directorate, have unanimously resolved to publicly propose at this time to our people and to the other opposition parties and groups, Dr Ricardo Arias Calderon as candidate for the presidency of the republic, in a single slate of the civic, democratic opposition, for the May 1989 election. [applause]

[Ossa] On making our proposal public, we advise that, in accordance with previous agreements, the choice of the opposition presidential candidate should have been made and announced jointly [by the opposition parties], as was done in the case of the decision to participate in the elections. To date, a candidacy has been proposed, but it has not been possible for all the opposition groups to agree to a joint meeting on the subject, despite an invitation extended by the Civic Crusade and our clear willingness to participate in such a meeting.

We hope this will happen soon, as the overwhelming majority of our people are demanding. Meanwhile, we announce that we are preparing to hold a special congress to nominate a presidential candidate on 22 January.

Molirena Announces Opposition Candidates
PA1001024189 Panama City Circuito RPC Television in Spanish 2330 GMT 9 Jan 89

[Report on news conference by Alfredo Ramirez, President of the Nationalist Liberal Republican Movement; date and place not given—passages within quotation marks recorded]

[Text] Following the 3 January agreement signed by the opposition parties, Alfredo Ramirez, president of the Nationalist Liberal Republican Movement, Molirena, announced at a news conference the names of the presidential candidates of that organization.

"Since the other parties that signed the national unity agreement on 3 January have announced their presidential candidates for a single ticket in the May 1989 elections, Molirena has decided to announce the names of its presidential candidates for consideration by the other opposition forces. They are listed here in alphabetical order:

Dr Gilberto Arias, prestigious lawyer, several times state minister, founding party member and political commission member [applause];

Ruben Dario Carles, renowned and reputable economist, university professor, former state minister on several occasions, with links to national banking and private enterprise [applause], founding party member and political commission member;

Dr Mario Galindo H., distinguished member of the national forum, university professor, author of several legal and political works, linked with several private enterprise activities, founding party member and political commission member;

Dr Julio Linares, distinguished member of the national forum, national assembly deputy, state minister, and author of several international law works on Panama-U.S. relations, founding party member and political commission member [applause];

Abraham Pretto, national assembly deputy, state minister, with links to industry, member of diverse trade organizations, founding party member and vice president of the party. [applause]

Engineer Guillermo Quijano, renowned engineering professional, president of important construction firms especially devoted to building housing for popular and middle-class sectors, national assembly deputy, founding party member and vice president of the party. [applause]

Jorge Ruben Rosas, lawyer, politician, popularly influential, elected as national assembly and legislator on four occasions, connected with banking and trade organizations of diverse sorts, founding party member and vice president of the party. [applause]

MOLIRENA, on recommending such distinguished party members, does so in a broad-minded spirit and with the desire to form a single opposition ticket that will undoubtedly win the upcoming elections.

MOLIRENA reiterates its commitment to struggle for this single ticket, because the country's interests, which MOLIRENA puts first, demand it.

We are certain that this election, in which the representatives of the opposition forces will take part, will consider, in addition to the candidates' experience and

ability to face the great responsibilities of the new government, their capacity to unite opposition forces to ensure victory at the polls."

Speaking on behalf of the party, Ramirez concluded by stressing the need for the opposition to unite and set aside vested interests to win the 1989 elections.

"On behalf of Molirena and the seven candidates that the party is nominating for consideration by the other opposition parties, I declare that with these candidates, Molirena seeks to facilitate the forming of a single national unity ticket. The unity of all the parties, national unity, and a single ticket, are the principal objectives of Molirena and the principal reason for our current struggle. The candidates or persons who have allowed us to present their names for the consideration by the other opposition parties, have done so with great unselfishness, and are not moved by personal interests of any sort. They are simply cooperating to facilitate the task of uniting the opposition forces behind a single ticket, which will permit us to conduct a strong campaign and defeat the existing regime. Also, we must stress that these nominations, acclaimed by all of the members of the party political commission, demonstrate our internal party unity. Whichever name is picked, it will have the unreserved support of Molirena throughout the Republic."

Solis Appoints Delegation to Canal Meeting

*PA0601160989 Panama City Televisora Nacional
in Spanish 2300 GMT 5 Jan 89*

[Text] Manuel Solis Palma, minister in charge of the Presidency, has announced the names of the members of a delegation that will attend a meeting of the Panama Canal Commission Board of Directors in Houston 9-13 January.

The members of the delegation are Carlos Ozores Typaldos, Oyden Ortega, Arnulfo Suarez, and Luis Anderson, all members of the Panama Canal Commission Board of Directors; and board adviser Gilberto Perez.

Argentina

Justicialist Party Candidate on Foreign Debt

PY0901164289 Buenos Aires DYN in Spanish
1708 GMT 8 Jan 89

[Excerpts] Buenos Aires, 8 Jan (DYN)—Carlos Menem, presidential candidate of the Justicialist Party, today said that he would ask for "at least a 5-year grace" on interest payments on the foreign debt. He also predicted that government economic measures "will not last until May" because "they are gradually becoming less effective."

Menem also called on the government "to admit its responsibility" over the profound energy crisis that is affecting the country.

Menem categorically denied that, if elected, his government would order a moratorium on payments on the foreign debt. He also defended the plan of former U.S. Secretary of State Henry Kissinger who advocated the reduction of the annual interest to 5 percent, and the creation of an investment fund of \$3 billion to ease the harmful effects of the debt.

In a conversation with DYN, Menem also denied that he had offered the Army leadership to General Isidro Bonifacio Caceres, the current II Corps commander. Menem said that "there is still some uneasiness in the Army."

Menem said: "We will try to reach an agreement with creditors for a 5-year grace period for the payment of the interest on the foreign debt" or "a reduction in the amount of services" which "would represent a significant saving to the country."

Asked if the Justicialist Party advocates a moratorium, Menem said that "this issue has been perfectly clarified." He reiterated, on the contrary, that "talks should be held with the creditors in their respective countries."

He added that approximately \$24 billion have left the country over the last 5 years because of the growth of the principle and interest on the foreign debt. Menem defended the economic proposal of former U.S. Secretary of State Henry Kissinger.

He said that "regarding the foreign debt, the Kissinger Plan would save us a significant amount" but he emphasized, that the plan "should be carefully studied" to see if it is right for Argentina.

He said that the Kissinger Plan "is better than the so-called Baker Plan" because the Baker Plan "has put the countries of the area in a difficult situation."

He emphasized that the Justicialist Party "will take into consideration any possibility for easing payments of interest on the foreign debt."

Menem indicated that the foreign debt "is an issue that will involve talks" with the creditors because "nothing can be decided unilaterally."

He added: "Talks should be held with the creditor banks and with the governments where the creditor banks operate." He said that "these are the general guidelines of the Justicialist Party regarding the debt."

He said: "Payments can no longer be made on the basis of the current situation." He defended "the comments made by U.S. President-elect George Bush and several European chiefs of state" on the need "to change the entire relationship."

Menem also denied the possibility of any confrontation with the CGT [General Confederation of Labor] which, in its 26-Point economic plan, proposes a "moratorium" as a basic requirement for national growth.

Menem said: "The CGT 26-point proposal was made almost 2 and 1/2 years ago" and "the situation has substantially changed" since then.

He recalled that "Brazil, Peru, and Mexico became involved with the moratorium" but "they had to drop the issue."

He said: "The idea here is not whether you advocate a moratorium or not, but how to readjust the options for the country and how to prevent the country from being isolated, which could be worse and more dangerous than the current situation." [passage omitted]

Asked about the possibility of a military uprising this month, as reported by some military analysts, Menem said "they are all rumors." He refused "to talk about that possibility in such a conflictive environment as the Army" following its "pact with the government."

Menem added: "The situation is still not calm, that is the truth." He said that "this situation was admitted by leaders of the Justicialist Party and by the Radical Civic Union."

He added: "There is some uneasiness and I do not know where it will lead." [passage omitted]

1988 Inflation Rate Reaches 387.7 Percent

PY0601155189 Buenos Aires BUENOS AIRES
HERALD in English 6 Jan 89 p 1

[Excerpt] The cost-of-living rose 6.8 percent in December, the National Statistics and Census Institute (INDEC) reported yesterday—the second lowest monthly inflation rate last year, behind November's 5.7 percent increase.

In 1988, consumer prices increased 387.7 percent, while rising 120.5 percent in the second half of the year, and only 23.1 percent in the last quarter. [passage omitted]

Bolivia

Bomb Deactivated at Immigration Office
PY1001022789 La Paz La Red Panamericana
in Spanish 0000 GMT 10 Jan 89

[Text] Immigration Under Secretary Walter Gumucio has said he will travel to Santa Cruz to follow up the investigation on the powerful bomb that was placed in the basement of the Immigration Office Building in Santa Cruz. Gumucio agreed with the interior minister's statement that terrorist activity in the country will be severely punished.

[Begin Gumucio recording] A woman called Immigration Department Director Carlos Gueyano three times on 6 January to warn that a bomb had been placed at the immigration building and that the premises had to be evacuated. Gueyano did not pay much attention to the call because he had received similar calls in the last 2 months. [end recording]

The immigration under secretary added:

[Begin recording] At 1545 the firemen came in and evacuated the building. They found three dynamite sticks in the basement of the building, in one of the vaults. This type of explosive is difficult to handle, therefore, after taking all necessary precautions, the firemen detonated the dynamite. [end recording]

Government Gives Priority to Agreement With IMF
PY0701172689 Madrid EFE in Spanish
0045 GMT 7 Jan 89

[Text] La Paz, 6 Jan (EFE)—The Bolivian Government has given priority to the signing of a new agreement with the IMF in the next 60 days, so that the second stage of the 3-year structural adjustment program can be started.

That remark was made by Bolivian Finance Minister Ramiro Cabezas, who revealed that the IMF has already granted Bolivia a \$30-million loan, and plans to release installments of \$14 million and \$20 million in periods that have not yet been specified.

The Bolivian Government's 3-year structural adjustment program, which was implemented in 1988, calls for measures to restructure the main public entities, to establish a real and flexible exchange rate, to curb the public deficit, and to complete the implementation of the tax reform intended to raise the government's revenues.

The IMF had promised financial support to the tune of \$180 million over the 1988-1991 period, to be released at the rate of \$30 million every 6 months following appraisals of the country's economic situation.

Chile

Christian Leftist Reveals PCCh Disagreements
PY0901160789 Santiago Domestic Service
in Spanish 0930 GMT 9 Jan 89

[Text] Christian Leftist leader Luis Maira, who is the current chairman of the Broad Party of the Socialist Left [PAIS], has confirmed the existence of serious disagreements within the proscribed Communist Party [PCCh].

Maira made this statement during an interview published by a Chilean daily, in which he discussed the Chilean left. He said that this sector should not be regarded as a monolithic bloc but rather as a collection of assorted groups with various points of view. He said that those who are unable to realize this are not in touch with reality. Maira was then asked in a very straight-forward way whether violence, which is strongly upheld in the document released by the PCCh a few weeks ago, is the classic form of struggle by communists. Maira's answer revealed more than an attempt to justify the democracy which the Marxist-Leninists advocate. He said that there are serious internal discussions on how the transition process should be carried out from their point of view. He added that there is no full agreement on what must be done.

The current PCCh leadership is headed by secretary general Luis Corvalan, who permanently lives in Moscow. Corvalan acknowledged the disagreements during an interview granted to the official communist mouth piece EL SIGLO.

There is talk about the old and new militants. Corvalan has confirmed that the old militants have become distant because they do not fully agree with the line adopted by the PCCh.

Corvalan said that the old militants remain distant from the PCCh for several reasons, but that they could rejoin the party and participate in the organization and development of the party congress. These old militants would not find it acceptable if, however, after rejoining the party and participating in its congress they then have to abide by resolutions which will affect all militants.

The question is whether or not disagreements exist within the proscribed PCCh. They undoubtedly know how to conceal their differences, but there will always be a person like Maira who will publicize them.

Government Expresses Condolences to Japan
PY0901182789 Madrid EFE in Spanish
1607 GMT 8 Jan 89

[Text] Santiago, Chile, 8 Jan (EFE)—The Government newspaper LA NACION today reports that Chilean President Augusto Pinochet and Chilean Foreign Minister Hernan Errazuriz have sent messages of condolence to the Japanese Government following the death of Emperor Hirohito.

General Pinochet addressed his message to Emperor Hirohito's successor, Akihito. Pinochet's message states: "The Chilean Government and I wish to express to you, and through you to the Empress Nagako, our heart-felt condolence."

Foreign Minister Errazuriz sent a message to the Japanese Foreign Minister Sosuke Uno a message in which he expresses his "heart-felt condolences" over the death of Emperor Hirohito.

A condolence book will be opened on 9 and 10 January at the residence of Japanese Ambassador to Chile Shuichi Nomiyama.

Colombia

Officials Begin Direct Talks With M-19

PA0901131289 Bogota Emisoras Caracol Network
in Spanish 1220 GMT 9 Jan 89

[Text] Bogota—After evading reporters, Barco administration officials have held their first meeting with the supreme command of the outlawed M-19 guerrilla group in an effort to achieve a new peace plan that will simultaneously bring about the reincorporation of that movement into the country's civilian life and its demobilization.

It was reported that the first direct meeting between the government and the M-19 was held in Ortega Municipality, in southern Tolima Department, which is near the area where the M-19 has been active in the past 3 years. The M-19 was founded 18 years ago and is currently led by Carlos Pizarro Leongomez.

Rafael Pardo Ruedas, presidential peace adviser, spoke with the M-19 leader about the possibility of concluding a new peace agreement and of reaching agreement for the group's return to civilian life, disarmament, and demobilization, and the possible creation of a new political party.

Although reporters were following the officials involved in the first meeting, they lost contact with them, and the meeting was apparently held without the press or any other witnesses. Since December, the government has been holding indirect talks with the M-19. The meeting in southern Tolima is the first direct meeting between Pizarro Leongomez and the government.

Since 1985, the leader of the outlawed guerrilla movement has been operating in southern Tolima, especially in the mountainous region of La Hermosas, La Virgen, and the area on the border with Valle del Cauca Department. As conditions for returning to civilian life, the M-19 has called for substantial changes in the way the state is governed.

Authorities Seize Illegal 10-Ton Arms Shipment

PA0901183389 Bogota Inravisión Television
Cadena 1 in Spanish 1736 GMT 9 Jan 89

[Text] Official details are expected regarding a shipment of 10 tons of weapons—presumably for the self-styled FARC—which has been discovered in Jamaica. Reports indicate that three Colombians, four Panamanians, and one Briton were captured in Jamaica while preparing to dispatch the weapons—which allegedly had been purchased in the FRG for the Colombian Army—to Colombia.

The Jamaican Government informed the Colombian Defense Ministry of the incident, and reports indicate a plane was immediately sent from Bogota to pick up the weapons and the three Colombians involved in the incident.

The arsenal includes 1,000 G-3 rifles, 250 machineguns, 600 grenade launchers, and a large shipment of ammunition of various calibers.

Police Report 1988 Violence Statistics

PA0901140189 Bogota EL SIGLO in Spanish
3 Jan 89 pp 1-A, 2-A

[Excerpts] In 1988, 3,639 persons—including policemen, military men, peasants, and leftist guerrillas—were killed in clashes, ambushes, and fighting; 544 persons were abducted by kidnappers, the state security agencies have reported.

General Carlos Arturo Gallego Torrado, National Police operational director, said that "the number of lives lost was very high and the number of wounded men in uniform was large. This shows that men in uniform are willing to sacrifice their own interests for the good of the majority of the fatherland. That is why Colombians recognize without a doubt the high morale of policemen in combat and their unflinching perseverance in the face of adversity."

He said that this past year 8 officers, 12 noncommissioned officers, and 136 policemen were killed in guerrilla actions. During the same period, 6 officers, 12 noncommissioned officers, and 188 policemen were wounded.

It was reported that this past year 563 military men—including officers, noncommissioned officers, and troops—were killed in clashes, ambushes, and fighting promoted by the rebel groups that operate in Colombia.

Also, in 1988, 2,157 peasants were victims of the violence that has gripped Colombian territory. [passage omitted]

The peasants were victims of leftist guerrilla actions and the feared death squadrons.

The state security agencies reported that last year 763 guerrillas belonging to the FARC, the Popular Liberation Army, the Army of National Liberation, the M-19, Quintin Lame Commando Unit, Free Fatherland, and Revolutionary Workers Party were killed in clashes.

The same sources reported that last year there were 80 harassments against military bases and garrisons, 88 harassments against National Police posts, 40 ambushes against Army forces, 34 ambushes against the National Police, 24 attacks on garrisons, and 36 harassments against National Police stations and substations.

According to the security agencies, guerrillas carried out 6 acts of piracy, 97 attacks against vehicles, and 37 incursions into townships.

The same sources revealed that some 544 citizens—including men, women, and children—kidnapped by the guerrillas are still being held captive. [passage omitted]

Ecuador

*** Air Force Chief on FAE Today, Other Issues**
33480063 Quito HOY in Spanish 12 Nov 88 p 6-A

[Interview with Colonel Mario Naranjo, FAE chief of staff; date and place given]

[Text] FAE [Ecuadoran Air Force] Chief of Staff Colonel Mario Naranjo granted this newspaper an exclusive interview, in which he commented on the state of the institution and other issues, such as the Amnesty Law, the charges of mismanagement of Ecuatoriana de Aviacion, and the problem of domestic aviation accidents.

The Air Force chief deems that the FAE has succeeded in overcoming the painful effects of the events of recent years, principally those that occurred between 1986 and 1987 and which are in the public domain—the armed revolt of the FAE chief of staff at that time, one of the sequels of which was the kidnapping of the country's president at the Taura Air base.

Deeming it to be of interest, this newspaper's political section reproduces herewith the full text of the interview with the present commander of the Air Force.

[HOY] Sir, you have said that the wounds left within the FAE by the regrettable events of recent years have healed. How did this situation affect the institution and how did the institution manage to overcome those effects?

[Naranjo] The events to which you refer seriously affected the principles and fundamental norms of the entire military institution: Its chain of command, hierarchic structure, discipline, esprit de corps, morale, institutional unity, etc. Nevertheless, the Air Force has been able to pull itself together under those painful circumstances in a very short

time, thanks to the joint effort of its chiefs, officers and enlisted personnel, with the cooperation of the armed institution's other organizations.

[HOY] What cost, or price, did the institution have to pay to heal these wounds?

[Naranjo] I don't believe we should think in terms of a cost imposed by the process of normalizing the state of the Air Force. On the contrary, the process has had positive impacts, stemming from a profound institutional reassessment, lessons which have been learned, and the steps which have been taken; these are reflected in an enhancement of our military profession's fundamental values, an ongoing dedication, a renewed sense of discipline, and a more intensive integration with the Ground and Naval Forces—all of which, we are certain, will preclude a repetition of events of that nature.

[HOY] Presently, the FAE has officers at its higher command levels who have not yet reached the highest hierarchical levels, and will be precluded from doing so by the exercising of their duties. Is this one of the costs the FAE will have to pay?

[Naranjo] The FAE's top commanders have now completed 27 years of service in the institution, have been through all its training and military career enhancement requirements, and are qualified and prepared to fulfill these critical responsibilities. Little by little, with the help of measures that are being drawn up, the Air Force will achieve an adequate level of hierarchization. I must clarify, however, that the present situation is not owing basically to the problems of recent years, but rather to the recruiting procedures that prevailed during the initial decades of our institutional life and to the high number of losses inherent in the very nature of our profession.

[HOY] What is your view of the Amnesty Law? Is it necessary and is its application urgent?

[Naranjo] Fortunately, as the defense minister has already said, we live in a country governed by law, by norms that are obligatory for all Ecuadoreans. A case in point is the Amnesty Law, in which the commando groups have taken refuge and which the president of the Republic has decided to apply, based on a procedure that has been clearly laid down in the law itself. The institution's role is limited to contributing the information and criteria needed by the executive to arrive at the fairest and most prudent solution.

[HOY] We would like to know your views with respect to the irregularities reported in Ecuatoriana de Aviacion, involving wasteful spending of its budget.

[Naranjo] I am aware of the reports filed by Ecuatoriana's current officials. With respect to them, I think it is necessary and desirable that the auditing authorities be the ones to determine responsibilities, in accordance

with the law. What I must clarify, however, is that, although the company is one of those attached to the Defense Ministry, the Air Force was relieved of responsibility for its administration several years ago.

[HOY] Is the FAE in agreement with the decision to not acquire any more planes for the company as long as it continues in a state of crisis?

[Naranjo] Ecuatoriana de Aviacion must be managed in accordance with entrepreneurial criteria; that is, with due regard for efficiency, economy and profitability. Whether or not planes are acquired to expand the fleet must be the result of a professional and reliable study aimed at attainment of the country's and company's objectives.

[HOY] If the Civil Aviation Directorate is equipped with modern radar and radio navigational aid systems, and with an aeronautical navigation technology of the very highest level, as you affirmed on FAE Day, 27 October, what explanation is there for the country's repeated domestic aviation accidents? One of those accidents even took the life of the FAE's top official.

[Naranjo] The world press very frequently reports aviation accidents that occur even in countries that are technologically and scientifically more advanced in this field. Ecuador is subject to unavoidable risks, despite the fact that the Civil Aviation Directorate has deployed an appreciable and sustained effort to provide for maximum possible air transportation safety.

When accidents occur despite these efforts, impartial technical investigations are conducted to determine their causes, and the public is kept fully informed. Of course, as Air Force chief of staff, I shall support any and all actions and initiatives that may help reduce aviation accidents.

Paraguay

Stroessner Sends Message to Japanese Emperor
PY0901221889 Asuncion HOY in Spanish 8 Jan 89 p 6

[Text] Yesterday President Alfredo Stroessner sent a note to Emperor Akihito expressing his condolences on the death of former Emperor Hirohito, Akihito's father. The note says the following:

"We have received the news of the death of my great friend, Emperor Hirohito, with great consternation. I hereby send to you and your people my most sincere condolences, and the solidarity of my government and the people of the Republic of Paraguay. At this time of sorrow we should honor his memory by intensifying our efforts to make our nations march together in peace in search of the well-being of our peoples. The Paraguayan people have found not only a great friend in your dear father, but what is most important, your father's will to strengthen our relations, which even at the great distance

that separates our countries, are an example of brotherhood, cooperation, and understanding. I earnestly beg of you to convey these feelings to Empress Michiko and the other members of the imperial family and to reiterate my most cordial and affectionate friendship."

Peru

Government Pays Debt Payment, Seeks Credits
PY1001023789 Lima Television Peruana
in Spanish 0100 GMT 10 Jan 89

[Text] In another effort to maintain good relations with international financial agencies, Peru made a \$1-million payment today on its overdue obligations. This guarantees that the agencies will consider Peruvian credit requests and the projects to be financed with those credits. Our country also made a \$2.2-million payment on obligations that came due 180 days ago. This payment may help with the approval of a request for a very important \$400-million credit for industrial support. This credit will be earmarked for the importation of inputs and capital goods through the central reserve bank.

According to reliable sources, if the current trend in relations with the IDB continues, the \$400-million credit might be granted at the end of the first half of this year. This credit will provide the necessary resources for industrial production, particularly in the export sector, and will have significant affect in the obtention of currency.

This payment has shown that the reports that Peru had failed to comply with its obligations with the IDB are distorted and inaccurate.

Police Clash With Terrorists in Abancay
PY0901161089 Lima Television Peruana Network
in Spanish 0100 GMT 9 Jan 89

[Text] [Words indistinct] as a result of the clash between policemen and subversive elements in Abancay.

Among the victims are Civil Guard Cesar Vellido de la Brena, Republican Guard Victor Bravo Mayo, and two judges of Chalhuanca, where the incidents took place.

Moreover, it was also disclosed that members of the Shining Path group have allegedly killed Prosecutor Mario Orrego and Judge Vicente Oreste Sacho in Arequipa.

2 Terrorists Die in Attack on Military Base
PY0901180589 Madrid EFE in Spanish
0056 GMT 8 Jan 89

[Text] Ayacucho, 7 Jan (EFE)—According to military sources in Ayacucho today, two alleged members of the Peruvian Shining Path subversive group died and nine soldiers were wounded on Friday night, 6 January, during an attack on the military base of Putica, Ayacucho Department.

The same day, another Shining Path ambush in Mejorada Baja zone, De La Mar Province, some 200 km from Ayacucho city, resulted in the death of three members of the national police force. Two others were seriously wounded when the vehicle in which they were traveling was attacked by the terrorists who used bombs and submachineguns.

The policemen were searching for a Shining Path group, following orders of the De La Mar prosecutor.

Another the Shining Path group entered the home of Wilfredo Hermosa, an official of the Agriculture Ministry branch in Ayacucho on Friday. Since they did not find him at home they warned his family that he had 72 hours to leave the city if he did not wish to be killed.

This morning, national police officer Lino Mendoza was shot dead as he was walking to the police station in Arequipa, 1,000 km south of Lima.

Mendoza, who had been stationed in Arequipa for the past 6 months, previously worked for the Antiterrorism Directorate in Lima. His death has been attributed to the Shining Path.

Scientific Expedition Leaves for Antarctica

PY1001024489 Lima Television Peruana
in Spanish 0100 GMT 10 Jan 89

[Excerpt] This morning the second Peruvian expedition left for the Antarctic continent aboard the ship "Humboldt." The expedition's mission is to build the Machu Picchu scientific station. Foreign Minister Luis Gonzalez Posada, who presided over the departure ceremony on behalf of the president, said that the fulfillment of the objective of this mission will reaffirm the Peruvian presence in a region of great expectation and wealth. [passage omitted]

Venezuela

*** AD Development Plan, Social Strategy Viewed**

33480068c Caracas BOHEMIA in Spanish
21 Nov 88 pp 58-60

[Report by D. F. Maza Zavala: "The Social Strategy of the Social Democratic Labor Movement"]

[Excerpts] The Third National Secretariat of the Democratic Action Party, which met in Caraballeda during the last week of July, set forth the "Foundations for the Development of a New Social Strategy," which are contained in a document that was sent to us. Owing to the document's importance, which stems both from the institutional and political strength of the organization that drafted it and from the issues that it addresses, we feel that it is timely and useful to comment on its most salient aspects. Given the influence of the labor-union activists who espouse the political philosophy and praxis of AD, there can be no doubt that these "foundations"

will have currency during the next administration and in relations between the CTV [Confederation of Venezuelan Workers] and the government and between CTV and FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry], the parties to an economic and social understanding that could guarantee success for the government.

The opening statement in the document that we are commenting on bears emphasizing because of its special significance: "The period of sacrifice by the workers for the sake of a stable democracy is over, and a new period has begun, a period of strengthening real democracy and economic, social and political equity, of which the organized labor movement is the main promoter." In other words, labor has done its share of sacrificing to consolidate the democratic system in the country. Now that 30 years have passed since democracy was reestablished, the timeworn justification of defending democracy can no longer be cited to postpone a better and larger share for the workers in social income and in the decisions that affect them directly. Though we must remain alert to the threats and dangers that always loom over democracy, now is the time to do justice to the workers, on whose shoulders rest the production of wealth and the heaviest burden of the economic crisis.

Restoring the Level of Real Wages

One of the most worrisome features of the country's economic and social landscape is unquestionably the sharp and worsening erosion of earned income over the past 10 years. This erosion is an economic, not just a social problem, because it lowers consumption capacity and, therefore, the effective demand for goods and services, which is a vital element in economic activity. Consequently, the National Union Secretariat of AD has resolved to back the CTV's demand that the government and business urgently take steps to restore the buying power of wages. This is not a wage hike, as employers always mistakenly interpret it, but a compensating effort to restore the level of real wages. If we take 1984 as the benchmark year, the loss totals 40 percent; if we take 1987, the loss exceeds 70 percent.

Rescheduling Foreign Debt Payments

The document in question makes the following proposals on the debt problem: 1) Straight off, reduce the amounts allocated to pay interest on the debt; 2) Limit debt-servicing payments to a percentage of export earnings (between 15 and 20 percent, depending on the source);

3) Negotiate foreign loans on favorable terms to improve the country's external accounts and finance development programs. The current administration has been relatively active on this latter front but has not had appreciable success.

Towards a Single Exchange Rate

The document also calls straightaway for an exchange-rate policy that will help preserve the internal and external value of the bolivar and eliminate the dangers of exchange-rate speculation. In this regard it proposes: 1) A single instead of a multitiered exchange rate; 2) A close to realistic single exchange rate that assures the competitiveness of exports, minimizes the inflationary impact of imports and maintains an appropriate level of monetary reserves for the country.

Periodic Review of Real Earned Income

A policy of defending and promoting the real income of the workers on a stable and progressive foundation must also include rules that are subject to review and updating, according to the conclusions of the Social Democratic labor leaders. In the same vein, a pricing policy that reconciles fair remuneration for the producer with satisfaction of consumer needs must be pursued. Public services, recreation, working conditions, access to housing, subsidies and other nonmonetary components of wages must also be improved; job sources and group-education facilities must be expanded, all of this geared towards enhancing the quality of life.

Fiscal Policy

The tax policy to be pursued must insure an appropriate level of government revenues and be less dependent on earnings from oil, by substantially improving tax collection and increasing the burden on the haves. The recommendation for government spending is to attach higher priority to social and economic investment, with high efficiency, and not to keep on financing private investment.

Privatization and Joint Management

The democratization of capital includes labor involvement in the privatization process and joint management as the most appropriate arrangement for such involvement. Mechanisms must be established in the capital market to facilitate the labor movement's access to financial resources to develop the social economy. Labor must be involved in promoting, developing and running new industrialization projects in oil, aluminum, steel and gold and the transportation and marketing of the respective products. [passage omitted]

*** Main Points of CAP's Government Plan Outlined**

33480068a Caracas BOHEMIA in Spanish
28 Nov 88 pp 62-63

[Report by Urbanina Urbaneja: "The Presence of a Statesman"]

[Text] We Venezuelans have not had many opportunities to hear our most prominent political leaders set forth their ideas with complete clarity. But a few of us had that privilege when we were lucky and interested enough to attend the forum that the Alumni Association of the IESA

[Institute of Higher Education for Administration] organized at this postgraduate institution, whose prestige is recognized throughout the continent. Former President Carlos Andres Perez was the featured guest at this forum, which was truly sensational because of the clarity, forthrightness and assurance with which he expressed his ideas. He had come to answer questions on the factors that in one way or another have had an impact on our country's overall development. The forum was made possible by the efforts of the IESA Alumni Association through Dr Carlos Celis Caraballo-Gramcko, who has thus made a brilliant debut on our economic, political and social scene, and by the cooperation of one of the most prominent thinkers on the domestic and international financial scene, Dr Pedro Palma. Dr Palma's TV career is well known to all, not only for his keen insight into our structural and short-term problems but also for the clarity with which he addresses the most complex issues in this fundamental branch of contemporary thought.

The characteristically good-natured and unpretentious former president, whose political future, fortunately for our nation, is assured, as all serious polls peg him as Venezuela's next president, rounded out a perfect trio alongside Dr Pedro Palma and Dr Carlos Celis in the IESA auditorium, where he appeared with great assurance and a truly bewildering storehouse of knowledge and ideas before the most select and intellectually high-powered audience that we have seen and heard in a very long time. Drs Palma and Celis were in charge of the introductions and of moderating this truly unique forum, and they managed to create an atmosphere of exceptional ideological depth. Especially noteworthy was the consistency of the opinions, ideas and remarks by the former president of the republic, whose experience, general cultural background and specific knowledge were made evident in this academic confrontation. To my way of thinking, this confrontation was designed solely as a patriotic attempt to clarify a government philosophy to a representative sample of the nation's independent intelligentsia. The greatest concern of this intelligentsia is to see to it that the most capable presidential candidate makes it to Miraflores with the approval of all. In our opinion, this candidate is former President Carlos Andres Perez, whose remarks and responses I am going to try to summarize in 12 general points. In them I seek to include the most important issues that he analyzed assertively and precisely at the forum and, moreover, without making concessions of any kind.

1. Define an overall economic policy with a view towards laying the groundwork for a rational policy of expansion that does not depend exclusively on petroleum.

2. Expand the economy selectively by providing incentives for nontraditional exports and without fearing the presence of foreign capital. On the contrary, foreign capital should be channeled into the hotel and metal-working industries, for example, with special emphasis on tourism.

3. Fundamentally change the approach that has been taken to the payment of the foreign debt, so as to eliminate the budget deficit and control inflation, as he proposed a few days ago at the international forum that he attended at Harvard University.

4. Establish a single exchange rate for our currency that will reflect our economic realities, and as part of the overall policy to be defined, prepare the country's institutions to join GATT, after an export strategy that generates indirect tax revenues is developed.

5. Revise wages and salaries through a policy of compromise that substantially boosts government pay so as to attract the most capable workers.

6. Regionalize the provision and management of public utilities such as water, light, gas, telephone service, garbage collection and transit, and turn them over to private enterprise.

7. Program the design and construction of low-cost housing at the national level; a substantial portion of the financing will come from compulsory savings, and private enterprise will have a majority share.

8. Achieve an international understanding to deal with the handicap of the foreign debt, which is the first obstacle to be eliminated on the road by which we will leave behind the critical situation that we are confronting.

9. Strengthen ties with the European Economic Community so as to achieve the fraternal cooperation of its future presidents, Felipe Gonzalez and Francois Mitterrand.

10. Give incentives to rural businessmen so that agriculture becomes the fundamental tool for achieving food independence, which to a great extent means true independence.

11. Build a stable, proper and honest Judiciary, so as to perfect democracy, by abolishing partisanship from this essential branch of republican government.

12. Suspend the internationalization of our oil industry and level it off at the 450,000 barrels a day that are currently being processed overseas, so that Venezuelan personnel can do here at home what at one point it was thought appropriate to allow the transnationals to do outside Venezuela.

As our kind and regular readers will have noticed, what former President Perez broached so seriously and eloquently was frankly something of momentous importance that touches all of us. Without doubt he has cleared up tomorrow's horizons for us, as we stand on the threshold of the third millennium, full of the optimism that the former president was able to instill in us with the

exceptional and unparalleled cooperation of the two young IESA thinkers, Pedro Palma and Carlos Celis, who are wonderful examples of the finest that Venezuela has to offer.

*** Finance Ministry Candidate Discusses Economy**
33480068b Caracas NUMERO in Spanish
20 Nov 88 pp 16-17

[Interview with Miguel Rodriguez by Soyara Ospina; date and place not indicated; first two paragraphs are introduction]

[Text] Seven years after Venezuela's economic mess began, the climate of skepticism would seem to have reached its peak among the people, who believe that there is no cure for the crisis.

Some pockets of optimism persist, however. One of them is Miguel Rodriguez, a distinguished economist and professor at the IESA [Institute of Higher Education for Administration], who was on the team that designed the government program of Carlos Andres Perez and who looks like a potential finance minister in the ruling party's administration.

[NUMERO] In what condition is President Lusinchí leaving the main economic indicators?

[Rodriguez] The economy has grown over the past 3 years, after having stagnated for 7 years (1979-1985), paradoxically when the country's economic boom was taking place. When oil prices fell drastically in 1986 and export earnings dropped by more than 5 billion bolívares, the government stimulated the economy again, and this was what allowed growth.

But this growth occurred in the context of a very severe fiscal imbalance. This imbalance is not the result of the fall in oil prices, nor of the real balance of payments deficit, but rather of the deficit in the capital account due to the policy of rapidly amortizing the foreign debt. The real cumulative deficit in the current account, which includes interest on the debt, totaled just \$3 billion over these 3 years, and yet the government lost \$9 billion in international reserves because of this policy.

The other major imbalances are the one caused in the financial market by the interest-rate freeze ordered by the Central Bank and the sizable exchange imbalance as reflected in the more than 150 percent gap between the free-market and official exchange rates.

Lastly, the inflation that was unleashed over the past 2 years is not the product of the country's economic structure but also of mistakes in administration economic policy. The main causes of these inflation indices were the big devaluation of December 1986 and the policy of rationing dollars for imports, which created bottlenecks in supply and, consequently, demand-pull inflationary pressures.

Positive aspects of the current administration are the growth that the economy posted and the fact that major investment projects were begun in basic export sectors, which are going to have a major impact on the balance of payments over the next few years and will help to correct the foreign trade imbalance in the medium term. It is unfortunate that these projects were not begun in 1984, when there was a \$5 billion surplus. The government wasted 3 years.

[NUMERO] What sort of economic prospects do you see and what does the picture look like for the president who is elected in December?

[Rodriguez] Venezuela has extraordinary prospects if the next government implements economic measures to exploit the great potential in production, human resources and financial resources that the country has and that make growth without inflation perfectly possible in the 1990's.

The structural conditions of the economy and especially of the public sector enable Venezuela to achieve what no other country can. In the rest of Latin America the public sector is a massive net debtor in dollars, and policies that promote growth in the foreign-trade sector (implying major real devaluations and a streamlining of protection policy to lessen the anti-export bias of these economies) dramatically worsen the public-sector deficit, thus helping to unleash uncontrollable inflationary pressures.

The situation is different in Venezuela, because even though the public sector is a net debtor in dollars, it is the main exporter in the economy. So, the exchange and trade policies that wind up stimulating the growth of the foreign-trade sector help to narrow the public-sector deficit, and this guarantees ample maneuvering room.

If Venezuela manages to make up for the exchange-rate lag, streamlines trade policy (tariffs) and makes headway in broadening the tax base, the public sector ought to reach a balance or post a surplus in a year's time. This is the weapon for noninflationary growth, which is perfectly possible because, besides, the Venezuelan public sector does not have a net national debt, unlike the other countries of Latin America.

[NUMERO] How do you view capital flight?

[Rodriguez] It is continuing in spite of the exchange controls. But the big flight took place between 1980 and 18 February 1983. During this period the private sector sent more than \$25 billion overseas. And from 18 February to now I estimate that another \$5 billion has left.

One of the challenges for the next administration is to reverse the net flows of private capital. If we straighten out exchange-rate policy, quickly standardize the exchange rate, adopt a realistic interest-rate policy and correct the problems of fiscal imbalance, while stimulating growth, we will be creating all of the conditions for a

major return of private capital to Venezuela and for an increase in foreign investment. These sources of funds (private domestic and foreign funds) could represent a very large flow of financing in the years to come.

Making these adjustments will have an impact on prices. But if they are not made in 1989, then the inflation of 1987 and 1988 will continue; this is demand-pull inflation and has a regressive impact on income distribution and would wind up Latin-Americanizing the economy. The economic policy of the next administration must set noninflationary growth as its long-term goal, and this requires a year of adjustments (1989), in which exchange-rate, trade, public-sector prices and tax policies have to be straightened out, and this will have an impact on prices for just that year.

[NUMERO] What prospects do you see for the financial sector?

[Rodriguez] The budget deficit unquestionably must be addressed, and for this purpose quick changes ought to be made in exchange-rate policy. There are two choices: either allow the dollar to float or maintain two exchange rates while setting the preferential dollar at a more realistic level. To revalue the bolivar on the free market, all of the foreign exchange from non-oil exports would have to be exchanged there.

Additional advantages would accrue from a currency standardization: over- and underinvoicing would be eliminated in overseas commercial transactions; the smuggling out of the country would stop, and resource-allocation would be optimized. In turn, however, if the resulting exchange rate is very high, the impact on inflation the first year would be greater than desirable.

But improving the situation of the public sector also demands straightening out trade policy, and this implies protecting domestic industry with a tariff system instead of the current system of quantitative restrictions. In this way we could obtain around 50 billion bolivars, if the average required tariff is 30 percent. In other words, the budget deficit would practically disappear.

Concurrently, there has to be an adjustment in the prices of government goods and services, and progress must be made on taxes, in a progressive sense, so that those who earn more pay the Treasury more. Now then, all of these adjustments would put the public sector in surplus in just a year, and this is not desirable. It is advisable for government to return part of the surplus to society, emphasizing investment spending and social spending (subsidies) to avoid an economic contraction and thus push the surplus back 2 or 3 years.

[NUMERO] And how would you solve the debt problem?

[Rodriguez] A 180-degree turn has to be made in the current domestic-debt policy. In the first place, the bank debt, both public and private, must be rescheduled; this

implies, as in the other Latin American countries, a 7- or 8-year grace period and also a package of fresh money to finance at least part of the interest.

Second, Venezuela must turn heavily to multilateral agencies such as the World Bank, the Inter-American Development Bank and the International Monetary Fund, which are the ones offering the least expensive money on the international market. Through them Venezuela has ample opportunity to generate net flows of financing, inasmuch as the country does not have pending loans with these agencies.

Third, the country has major potential to generate financing flows from other sources: bilateral, loans from suppliers, loans tied to trade, etc. And fourth, we must develop a strategy for buying back the debt at a discount, which could substantially lighten the debt burden in the years to come.

These measures must be taken, because Venezuela will be redefining its growth on the basis of non-oil exports, and this means very heavy investment in these sectors. The country needs outside financing for this, because its current account is now in deficit. The debt in itself is not bad; the important thing is what it is used for. If we use it to finance investment projects in the export area, it will generate the funds to service the debt and to achieve the country's development goals. Venezuela must set its net overseas payments at no more than 10 percent of exports.

[NUMERO] What financial policy would you pursue? Do you think that the Central Bank should keep on regulating rates? Would you move to boost rates or decontrol them?

[Rodriguez] I would experiment with decontrolling rates. It was already tried once and worked well. And in the event that it did not, there is always the possibility of returning control to the Central Bank. Now then, rates must unquestionably be raised.

[NUMERO] The government programs of both Carlos Andres Perez and Eduardo Fernandez call for a process of privatizations over the next 5 years. How extensive should this process be? Should it include basic enterprises?

[Rodriguez] The role of the state should be redefined so that it becomes a true promoter of development. Today the state is involved in a great number of things in which it should not be meddling. It owns a great number of enterprises that it cannot manage. There is room here.

I think that the basic enterprises ought to be excluded from the process, although there is room as far as expansions and new projects are concerned. The state can thus strengthen its role as a promoter of investment.

[NUMERO] If you were called upon to run the Finance Ministry in the next administration, how would you summarize your policies?

[Rodriguez] I would emphasize control of inflation and a better distribution of income that would be increasingly favorable to the neediest segments of the population. This policy should encourage investment for development, economic expansion and social spending.

Corpoven Discovers New Oil Wells in Monagas
PA0901123589 Caracas EL NACIONAL in Spanish
30 Dec 88 p D-16

[Summary] Corpoven [Venezuelan Petroleum Corporation] has confirmed the discovery of new oil deposits containing medium- and light-grade crude oil and gas. The discovery was made during the drilling of Tejero 1-X oil well, in the northern part of Monagas State.

Production tests run on the new well revealed that the new oil discovery could produce between 2,000 and 6,500 barrels of oil daily.

Suriname

Brunswijk Said Planning To Resume Fighting
PM0901124189 Rotterdam NRC HANDELSBLAD
in Dutch 29 Dec 88 p 2

[Unnamed "own correspondent" dispatch: "Brunswijk Resumes Fighting in Suriname"]

[Text] Paramaribo, 29 Dec—Rebel leader Ronnie Brunswijk plans to buy arms to resume the fighting in eastern Suriname against the government in Paramaribo. The Jungle Commando leader said this yesterday in a telephone interview with the newspaper DE WARE TIJD. Brunswijk no longer has any confidence in the peace process. He said that he has money for arms purchases from gold mined in the interior.

Brunswijk denied that he had anything to do with the bombardment Monday and Tuesday [26 and 27 December] of Army posts at Albina and Moengotapoe. He admitted that the Gum Air aircraft hijacked last Friday [23 December] in central Suriname is at his headquarters on Stoelmanseiland. The rebel leader intends to use the aircraft to exert pressure on the Paramaribo government to force it to take concrete steps in the peace process.

During his visit to the Netherlands in late November Prime Minister Arron said that negotiations would soon begin with the rebels in the interior. This chance now seems to be gone.

The Gum Air aircraft was hijacked by a group led by Tjaka, a former member of the Jungle Commando. The group intended to demand a ransom for the aircraft. When Tjaka and his men landed at the Botopasi airfield, 30 km south of the Brokopondo Dam and reservoir, Brunswijk and a number of his men were there. The Tjaka group is reported to have been overpowered by the Brunswijk group, after which all those involved flew to

Stoelmanseiland in the hijacked aircraft. The pilot is also on the island and will probably shortly be allowed to return to Paramaribo.

According to Brunswijk, who is said to advocate a moderate line in the rebellion, he again has a grip on a radical group of rebels, who had broken away from the Commando. Brunswijk also said that thanks to his visit to Upper Suriname the Saramaccan maroons of headman Aboikoni have again rallied to his cause. Representatives of Aboikoni, one of the four leaders of the jungle interior, recently spent 2 months in Paramaribo for talks with the government. Aboikoni seemed to be moving closer to the Paramaribo government, but, according to Brunswijk, there is no longer any suggestion of this.

Of human rights activist Stanley Rensch Brunswijk said that he has been in contact with him three times. The first time Rensch turned up at Brunswijk's camp when the Jungle Commando had issued an ultimatum threatening to blow up the bridge at Patamacca. "Rensch persuaded me to abandon this plan," Brunswijk said. The second time was in June this year, shortly before the talks at Saint Jean, where agreements were reached between a government delegation and Brunswijk on peace in the interior. According to Brunswijk, Rensch urged him to choose the path of dialogue. The third contact was at a gathering of great chiefs in September. Brunswijk: "On that occasion he only gave the advice that the conflict should be resolved peacefully."

Brunswijk said that the fact that the French are keeping a sharper watch on their border with Suriname is causing him problems. For Brunswijk and his men it is no longer easy to cross into French territory. Although they are still able to get to the villages in the interior, entering centers such as Saint Laurent and Cayenne is risky.

In Paramaribo yesterday it was impossible to obtain any reaction to Brunswijk's statement that he intends to resume fighting. The government and the National Assembly are to meet today to discuss the new situation in the interior. They have promised to issue a statement today.

President Hints at Possible Amnesty for Brunswijk
PM0901120189 Amsterdam DE VOLKSKRANT
in Dutch 2 Jan 89 p 3

[Wim Noordegraaf dispatch: "Suriname Considering Amnesty for Brunswijk"]

[Excerpt] Paramaribo—The Surinamese Government is "considering the possibility of an amnesty" for the members of the Jungle Commando. In a New Year's Eve address President Shankar announced in cautious terms that draft amnesty legislation will be submitted to the National Assembly. According to Shankar, plans have already reached an advanced stage. A representative of Brunswijk in the Netherlands said that the Jungle Commando heard of the plan with "growing amazement and disbelief."

According to the Jungle Commando, Shankar is playing into Bouterse's hands with his idea. The Jungle Commando is also troubled by the president's choice of words, because "an amnesty is by its nature only offered to criminals."

In his address Shankar called on all Surinamers, "no matter where they are and no matter in which camp they find themselves," to work for Suriname. The people of Paramaribo had been looking forward to Shankar's address with great anticipation. The government had promised a reaction to the new declaration of hostilities by Brunswijk at the end of last week. Many people had been expecting the announcement of a cease-fire, or some other tougher measure.

From the reservations expressed by Shankar it appears that the army leadership was only able to agree to the amnesty with great difficulty. An amnesty was offered during the Bouterse era, but that amnesty was without any legal basis. The Jungle Commando did not react to the offer in any way.

Earlier on New Year's Eve Bouterse addressed his soldiers in a sports hall. "The past year has brought with it one good thing," he told the soldiers. "1988 has shown that the 1980 coup was correct." Bouterse also noted in Suriname "complete stagnation, gloomy prospects, and virtual hopelessness." [passage omitted]

Bouterse Likely To Get State Council Seat
PM0901121189 Rotterdam NRC HANDELSBLAD
in Dutch 29 Dec 88 p 2

[Unattributed dispatch: "Bouterse Almost Certain To Be Member of Council of State"]

[Text] Paramaribo, 29 Dec—Commander Desi Bouterse will in all probability occupy the military authorities' seat on the Council of State. This was announced yesterday by Bouterse's chef de cabinet, H. Herrenberg. The groupings represented on the Council of State must submit the names of their representatives to the president before 5 January.

Hitherto Captain C. Mijns had been tipped as the representative of the military, which will have one seat on the Council. The Council of State has a monitoring function under the Surinamese constitution.

Yesterday President Shankar banned Herrenberg from issuing a statement to the press on the arrest of Netherlands Charge d'Affaires Reinier van der Kroon. Because the government is still busy with the investigation into the arrest and the formulation of a reply to the Netherlands Government it was not thought proper that Herrenberg should discuss the matter.

Herrenberg said that as a former foreign minister and former ambassador to the Netherlands he had wanted to make a few pertinent remarks about the arrest of the diplomat and about the question of to what extent a diplomat enjoys immunity.